



**Board of Trustees of the University of Oregon  
Finance and Facilities Committee Meeting  
May 6, 2014**

**Tuesday, May 6, 2014 – Public Meeting – Ford Alumni Center, Room 403**

**9:00 am**

- 1.0 Convene
  - Call to Order and Welcome
  - Roll Call
- 2.0 Review & Approve March Finance & Facilities Committee Meeting Minutes
- 3.0 Treasury Operations
  - Background information – Treasury Operations
  - Review and discussion of Draft Treasury Management Policy
  - Review and discussion of Draft Central Bank Procedures, Draft Cash & Investment Operational Procedures, Draft Liability Management Procedures
- 4.0 HECC Capital Project Proposal
- 5.0 Adjourn



The University of Oregon Board of Trustees, Finance and Facilities Committee (F&F Committee) met in the Ford Alumni Center on the UO campus on March 26, 2014. Below is a summary of committee discussions, and actions.

**Future Committee Meetings**

Vice President Jamie Moffitt outlined the current thinking regarding upcoming Finance & Facilities Committee meetings. She expects the Committee to meet in April, May and June to discuss the following topics:

- April F&F Committee Meeting: Treasury Management Operations & Policies
- May F&F Committee Meeting: Retirement Plans Management
- June F&F Committee Meeting: University Budget & Quarterly Financial Reports

Moffitt also expects to receive a request from the Higher Education Coordinating Committee (HECC) in the near future for the University's capital project proposals. The draft response will be brought to the F&F Committee for discussion and review prior to submission to the HECC. Timing is TBD based on the HECC submission schedule.

**Tuition and Fees**

Vice Provost Brad Shelton, Vice President Roger Thompson, and Vice President Jamie Moffitt presented a three part presentation regarding the FY15 Tuition and Fees proposal. The first section of the presentation was a primer that provided the Committee with background information on tuition structures, mandatory fees, non-mandatory fees and the tuition and fee setting process, including both the role of the Tuition and Fee Advisory Board and the tuition and fee setting calendar. The second section of the presentation provided historical and comparative tuition and fee data, including figures for PAC-12 and Public AAU comparators. The third section of the presentation focused on the tuition increase proposals for FY15. The proposed increase for undergraduate residents is 0.0%, while the proposed fee increase for undergraduate non-residents is 3.0%. The graduate proposals varied by program with all increases being 3% or lower with the exception of the following programs for which a 5% increase was proposed: (1) MBA Program (resident and nonresident), and (2) Masters of Accounting program (resident only).

# DRAFT

## UNIVERSITY OF OREGON TREASURY MANAGEMENT POLICY

The University's treasury assets and liabilities will be managed in concert to further the mission of the University. The President or designee (the "President") will:

- Manage cash, investments, short-term borrowings, and long-term liabilities within a central bank framework;
- Make a report to the Board or designated subcommittee (the "Board"), at least annually. The report will include:
  - Quantitative information including:
    - Investment performance of the tiers of the Cash & Investment Pool measured against appropriate benchmarks
    - The loan rate charged by the central bank
    - The long-term liability position of the University
  - An analysis of the risks in the central bank
  - Any financing transactions, in excess of \$5,000,000, that were authorized solely by the President as permitted in section 3.4 below
  - Any exceptions to this policy
  - A copy of the current treasury management procedures
  - Other relevant information as appropriate such as reports from the investment advisor or updates on emerging trends
- Make a quarterly interim report to the Board to provide an update on any debt or financing activity and to show recent trends in the balance of the Cash & Investment Pool;
- Adhere to this policy and all applicable laws;
- Delegate authority as needed to carry out the provisions of this policy effectively.

Due to the dynamic nature of financial markets, the President may make temporary exceptions to this policy in the event of significant market instability to preserve the University's assets or limit risk. Such actions will be reported to the Chair of the Finance & Facilities Committee (the "Committee") as soon as possible and to the full Board or designated subcommittee at the next regularly scheduled meeting.

The President will notify the Chair of the Finance & Facilities Committee when substantive changes or additions are made to the treasury management procedures.

### 1. THE CENTRAL BANK

- 1.1. The central bank is a set of services run by the University. The central bank invests the University's cash balances, makes loans, and manages the University's debt and liabilities. The central bank, as directed by the President, may also pay interest for cash balances.

- 1.2. Over time, and within the University's risk tolerances, the central bank's purpose is to optimize the University's resources while balancing competing objectives to:
  - 1.2.1. Meet the liquidity needs of the University
  - 1.2.2. Maximize return on investments (within the University's risk tolerance)
  - 1.2.3. Minimize the cost of capital (within the University's risk tolerance)
- 1.3. The central bank provides a stable cost of capital to finance projects needed to meet the University's strategic objectives by lending money to various units within the University. The President shall establish the central bank loan rate.
- 1.4. The loan rate may be adjusted from time to time but should be set in such way that it can be expected to remain constant over time unless market conditions shift uncharacteristically over a persistent period of time.
- 1.5. The cash flow needs of the University will be analyzed and stress tested to ensure adequate liquidity is available to meet the University's obligations and to provide early warning of changes needed to the central bank's loan rate.
- 1.6. Uncommitted assets that are created by the operating the central bank will be used to cover the costs of operating the central bank and other costs associated with managing treasury operations. Remaining uncommitted assets may be used for internal loans, short or long-term investments, to hedge risks within the central bank, or for the President's other strategic initiatives.

## **2. CASH AND INVESTMENT MANAGEMENT**

- 2.1. The University will consolidate its cash and reserve balances to increase efficiencies with regard to investment pricing, custody, and administration. Consolidation also helps manage investment risk and balances liquidity strategies with investment returns.
- 2.2. Investment income received, unless otherwise legally restricted, may be used, at the discretion of the President, to further the objectives of the University.
- 2.3. The University's consolidated cash and reserve balances will be divided into tiers based on expected liquidity needs and return objectives. Collectively, these tiers are known as the Cash and Investment Pool. Investment activities for all tiers will be guided by the objectives of safety, liquidity and return as described below:
  - 2.3.1. Safety - The investment portfolio seeks preservation of capital by minimizing credit risk and price volatility.
  - 2.3.2. Liquidity - The investment portfolio shall maintain sufficient liquidity to meet all disbursement requirements that may be reasonably anticipated. Short-term borrowings may be used to meet the liquidity needs of the University.
  - 2.3.3. Return - The investment portfolio shall be managed with the objective of attaining a market rate of return over the course of an economic cycle. Performance objectives will be established for each tier consistent with stated objectives.
- 2.4. The President will allocate funds among the tiers in a manner consistent with this policy's objectives, as outlined below, and will report at least annually how the Cash and Investment Pool is divided among these tiers. The priority of the policy objectives (safety, liquidity, and return) varies by tier:

- 2.4.1. **Tier 1:** The Tier 1 portfolio will be used to meet the expected day-to-day obligations of the University including payroll, routine obligations, and debt service. The Tier 1 portfolio shall be invested in such a way to ensure that adequate liquidity exists to meet these obligations. Safety and liquidity are the primary objectives of this tier. The University's liquidity needs, cash forecast, and risk tolerance will be considered in determining the designated range of cash and investments held in this tier. When Tier 1 assets are exhausted, the President may use other assets of the University or borrow funds on a short-term basis to meet the obligations of the University.
- 2.4.2. **Tier 2:** The Tier 2 portfolio will be used to hold funds that, while not needed to meet immediate obligations, are expected to be needed during the annual cash cycle. This portfolio may also contain funds for capital projects and to meet unanticipated liquidity needs. Safety is more important than liquidity for the Tier 2 portfolio. This portfolio can be invested over a somewhat longer time horizon than the Tier 1 portfolio and should, typically, provide better investment returns.
- 2.4.3. **Tier 3:** Remaining cash balances will be allocated to the Tier 3 portfolio. The Tier 3 portfolio represents cash balances that are not expected to be required to support operations, near term liquidity needs, or fund intermediate term projects, and therefore may be invested for an indefinite period of time much like a quasi-endowment. The primary objective of this tier is to maximize long-term real return commensurate with the risk tolerance of the University.
- 2.5. The President will evaluate the following primary risks as part of the investment management process:
  - 2.5.1. **Interest Rate Risk** - The duration and maximum maturity will be limited by portfolio tier in order to manage the impact of interest rate volatility and other market factors on the Cash & Investment Pool.
  - 2.5.2. **Credit Risk** - Published credit ratings and other public or private research and analysis may be used to evaluate credit risk and create different credit risk profiles for each tier.
  - 2.5.3. **Liquidity Risk** - A target range for liquidity will be established and assets rebalanced on an ongoing basis to meet liquidity needs.
- 2.6. The President will engage an investment advisor to provide periodic advice to the President and the Finance & Facilities Committee regarding the University's investments.
- 2.7. The tiers of the Cash & Investment Pool are expected to achieve market rates of return over an economic cycle. Investment returns will be measured against appropriate benchmarks.
- 2.8. The Cash & Investment Pool will be actively managed and allow periodic restructuring of the investment portfolio to take advantage of current and anticipated interest rate movements and other trends.
- 2.9. The Board must approve any investment manager that is either not registered to conduct business in the State or Oregon or not registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940.

- 2.10. The Board must approve the use of any depository that is unable to collateralize deposits.
- 2.11. The Board must approve the University's use of investment hedging instruments and other derivatives.

### 3. LIABILITY MANAGEMENT

- 3.1. The University may use debt or other financing agreements to meet its strategic objectives.
- 3.2. The Board, or its designated Committee, must authorize debt transactions, financing agreements, hedging instruments, and other derivatives when the par or notional amount is greater than \$5,000,000.
- 3.3. Debt is a limited resource and when contemplating the use of debt, the Board will consider:
  - 3.3.1. The impact of new liabilities on the University's ability to achieve its mission and strategic objectives;
  - 3.3.2. The cost of the capital funding source; and
  - 3.3.3. How the transaction affects the University's ability to meet its existing obligations
- 3.4. The President may conduct the following activities without specific Board approval:
  - 3.4.1. Borrow for short-term liquidity needs (as outlined in section 2.4.1).
  - 3.4.2. Enter into financing transactions for the purpose of mitigating the risk of existing obligations and/or reducing the overall cost of debt.
  - 3.4.3. Enter into financing transactions for the purpose of maintaining compliance with the law or other requirements such as the federal tax code.
- 3.5. The structure of each financing transaction is critical and prior to finalizing the structure the President will:
  - 3.5.1. Use tax-exempt fixed-rate amortizing debt as the base case financing assumption
  - 3.5.2. Evaluate the benefit and risk of introducing alternative structures or optionality (e.g. variable-rate debt, bullet payments, puttable debt, tax-exempt vs. taxable debt) against the base case
  - 3.5.3. Select the structure of debt that optimizes cost, risk, and institutional flexibility
- 3.6. Comply with all applicable laws and regulations and develop a written program for post-issuance compliance.
- 3.7. The Board acknowledges that a portion of the University's debt is made up of general obligation bonds, revenue bonds, and certificates of participation issued by the state of Oregon and therefore outside of the University's direct control. The President is expected to advocate in the University's best interest with respect to these obligations.

# DRAFT

## CENTRAL BANK PROCEDURES

### **Roles and Responsibilities**

The President delegates the day-to-day operating decisions relative to the central bank to the Vice President for Finance and Administration and CFO (VPFA).

The VPFA will ensure that staff responsible for managing the assets and liabilities of the central bank have appropriate expertise and ongoing training.

The VPFA will periodically consult with an advisory group that includes staff, academic deans, and faculty with expertise in asset/liability management, public finance, investment management, and/or quantitative analysis. The advisory team may also include professional consultants or other subject matter experts. The advisory team will:

- review the business plan associated with capital projects over \$5 million that will rely upon university dollars for debt service and advise the VPFA as to whether the underlying assumptions in the business plan are reasonable;
- discuss significant or new types of transactions being undertaken within the central bank and provide advice and counsel to the VPFA regarding the contemplated transaction;
- be familiar with the guidelines of the Treasury Management Policy and may suggest changes to the VPFA; and
- provide advice on other topics as requested by VPFA.

### **Liquidity Management**

The central bank will provide day-to-day liquidity for the university. The central bank may establish mechanisms, subject to Board approval as outlined in policy, to ensure that the university's obligations are met even in circumstances where there is insufficient cash to cover the obligation. Such overdrafts are considered routine and necessary to maximize the investment earnings of the university's Cash & Investment Pool. No short-term borrowing may be outstanding for more than 365 consecutive days.

### **Treasury Risk Management**

Risk related to the optionality of assets and liabilities will be evaluated at least annually under various scenarios. The impact of such risks will be quantified and measured against the university's unrestricted net assets and net income. The analysis will include both a single year's analysis to assess the impact of an immediate event as well as a multi-year analysis to assess the impact of sustained economic stress on the university. At a minimum, the following risks will be evaluated:

- Market Rate Risk: The exposure to changing nominal interest rates and volatility and how such changes impact investment returns and the cost of capital

- Credit Risk: The exposure to changing credit ratings and credit spreads and how such changes impact investment returns and the cost of capital.
- Liquidity Risk: The exposure to uncommitted financings or liquidity market failures and how such changes impact the operations and reputation of the university and the impact on investment returns and cost of capital.
- Counterparty Risk: The exposure that arises when counterparties fail to perform and how such changes impact the operations and reputation of the university and the impact on investment returns and cost of capital.
- Tax Risk: Understanding how potential changes in tax law or the university's standing as a tax-exempt entity may impact investment returns and the cost of capital.

## **Central Bank Loans**

### Loan Application

Upon approval of a funding source for a capital project, the sponsoring department or functional area may obtain a loan from the central bank. The borrower will be asked to provide several documents including:

1. Evidence that the project's funding has been appropriately authorized
2. A description of the project
3. The project's budget
4. A schedule detailing funding requirements by month or quarter
5. An analysis showing the source, timing, and adequacy of the funds available to repay the loan

### Permitted Loan Terms

- The term of the borrowing will be commensurate with the life of the underlying capital asset but will not exceed 30 years
- Loans will generally have level annual payments that are paid in semi-annual installments during the fiscal year
- The President has authorized the central bank to lend at the effective rate of 5.25% inclusive of fees to tax-exempt projects
- The rate increases depending on the level of taxable debt required

### Expectations

1. Borrowers will sign a loan agreement that states the terms of the loan.
2. Accounting for the expenditures of the project will be done in a manner to ensure compliance with IRS requirements for tax exempt institutions.
3. Borrowers are expected to spend moneys as indicated on the loan application but may work with the central bank to see if changes can be accommodated.
4. Borrowers will make payments as scheduled.

5. Borrowers will inform the central bank if any change in use of the financed building is contemplated. Changes in use include leasing all or a portion of the facility to a third party or permitting non-educational uses in the structure.
6. Prepayments may be negotiated with the central bank and, if possible, will generally be accommodated.

#### **Management of the Central Bank**

- The Central Bank will model the loans and related debt over their respective lifetimes
- The President may change the borrowing rate for loans, if the analysis indicates that such an action is warranted

# UNIVERSITY OF OREGON

## CASH & INVESTMENT OPERATIONAL PROCEDURES

### Selection of Broker/Dealers, Investment Managers and Depository Banks

#### ***Selection of Broker/Dealers***

All broker/dealers, Registered Investment Advisors (“RIAs”) and their affiliates who desire to provide investment services to the University shall be provided with current copies of this investment policy. Before an organization, or its affiliates, can provide investment services to the University, it must confirm in writing that it has received and reviewed this investment policy and is able to comply with it.

Broker/dealers, RIAs and their affiliates, shall supply the University with information sufficient to adequately evaluate their financial capacity and creditworthiness. The following information shall be provided:

- audited financial statements;
- regulatory reports on financial condition;
- proof of Financial Institution Regulatory Authority (“FINRA”);
- certification and of state registration;
- if a broker/dealer, a sworn statement by an authorized representative of the broker/dealer pledging to adhere to “Capital Adequacy Standards” established by the Federal Reserve Bank and acknowledging the broker/dealer understands that the University has relied upon this pledge; and
- additional information as requested by the University to evaluate the creditworthiness of the institution.

Only firms meeting the following requirements shall be eligible to serve as broker/dealers for the University:

- “Primary” dealers and regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule);
- Capital of at least \$50,000,000;
- Registered as a dealer under the Securities Exchange Act of 1934;
- Member of FINRA;
- Registered to sell securities in the State of Oregon; and
- Engaged in the business of effecting transactions in U.S. government and agency obligations for at least five consecutive years.

#### ***Engagement of Investment Managers***

The President may engage one or more qualified firms to provide investment management services for the University. All investment management firms who desire to provide investment management services to the University shall be provided with current copies of this investment policy. Before an organization can provide investment management services to the University, it must confirm in writing that it has received and reviewed this investment policy and is able to comply with it.

Only firms meeting the following requirements will be eligible to serve as investment manager for the University:

- a) Registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940;
- b) Must have provided to the University an annual updated copy of Form ADV, Part II, if applicable; and
- c) Must be registered to conduct business in the State of Oregon.

Any firm engaged by the University to provide investment services shall:

- a) Select security brokers/dealers who meet the requirements defined under this policy;
- b) Provide monthly reports of transactions and holdings to the University;
- c) Provide performance reports at least quarterly;
- d) Report on performance in comparison to the University's investment benchmarks; and,
- e) Not collect any soft dollar commissions or credits, from mutual funds or others, in exchange for services directly provided to a customer.

The Board may authorize other investment managers that do not meet the above requirements.

### ***Selection of Depository Institutions***

The University may deposit funds with any depository insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund. All depositories will provide sufficient collateral to secure any amount of funds on deposit that exceed the limits of the coverage of the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund.

The University may also deposit funds with other entities upon consideration of the risks posed by using the potential nonbank depository. The Board will approve all nonbank depositories.

### **Custody/Trust and Administration**

The University will not take physical possession of investment securities. Securities will be held by an independent third-party custodian selected by the University as evidenced by custody/trust receipts in the University's name. The custody/trust institution shall annually provide a copy of their most recent report on internal controls.

### **Permitted investments – Tier 1**

***All Tier 1 investments will be denominated in U.S. dollars.***

***U.S. Treasury Obligations*** - Bills, notes, and any other obligation or security issued by or backed by the full faith and credit of the United States Treasury.

**Federal Agency Obligations** - Bonds, notes, and other obligations of the United States, and securities issued by any federal government agency or instrumentality or government sponsored enterprise that has a rating no less than the rating on U.S. Government debt.

**Negotiable Certificates of Deposit, Bank Deposit Notes and Non-Negotiable Certificates of Deposit / Time Deposits** - Negotiable and non-negotiable certificates of deposit, time deposits and negotiable bank deposit notes of domestic banks and domestic offices of foreign banks with a rating of at least A-1 by Standard & Poor's, Inc., or P-1 by Moody's Investor Service, Inc., for maturities of one year or less, and a rating of at least AA by Standard & Poor's, Inc., or Aa by Moody's Investor Service, Inc., for maturities over one year.

**Bankers' Acceptances** - Issued by domestic banks or domestic offices of foreign banks, which are eligible for purchase by the Federal Reserve System with a maturity of 180 days or less. The issuing corporation, or its guarantor, must have a short-term debt rating of no less than "A-1" (or its equivalent) by at least two of the Nationally Recognized Statistical Rating Organizations ("NRSRO's").

**Corporate Debt** - High quality corporate notes with a rating of at least Aa by Moody's Investors Service, Inc., or a rating of at least AA by Standard and Poor's, Inc.

**Asset-Backed Securities** - High quality asset-backed securities with a rating of at least Aa by Moody's Investors Service, Inc., or a rating of at least AA by Standard and Poor's, Inc. If the security's rating is based on insurance, the counter-party must be evaluated before the security may be purchased.

**Commercial Paper** - "Prime quality" commercial paper, with a maturity of 270 days or less, issued by domestic corporations (corporations organized and operating under the laws of the United States or any state thereof) provided that the issuing corporation, or its guarantor, has a short-term debt rating of no less than "A-1" (or its equivalent) by at least two of the NRSRO's.

**Municipal Obligations** - Bonds, notes, and other general obligations of a municipal authority organized within the United States upon which there is no default and having a rating of at least AA by Standard & Poor's, Inc., or Aa by Moody's Investor Service, Inc..

**Repurchase Agreements** - Overnight, term, and open repurchase agreements provided that the following conditions are met:

1. the contract is fully secured by deliverable U.S. Treasury and federal agency obligations as described above, having a market value at all times of at least 102 percent of the amount of the contract;
2. a master repurchase agreement or specific written repurchase agreement governs the transaction and which in each case contains terms qualifying each transaction as a securities loan for purposes of Section 512 under the Internal Revenue Code, and provides for master netting of obligations;
3. the securities are free and clear of any lien and held by an independent third-party custodian acting solely as agent for the University, provided such third party is not the seller under the repurchase agreement;

4. a perfected first security interest under the Uniform Commercial Code in accordance with book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. in such securities is created for the benefit of the University; such that the agent holding the underlying securities (the collateral) must hold the securities in a way that ensures they remain the property of the University.
5. for repurchase agreements with terms to maturity of greater than one day, the University will have the collateral securities valued daily and require that if additional collateral is warranted, then that collateral must be delivered within one business day (if a collateral deficiency is not corrected within this time frame, the collateral securities will be liquidated);
6. the counterparty is a:
  - a. primary government securities dealer who reports daily to the Federal Reserve Bank of New York, or
  - b. a bank, savings and loan association, or diversified securities broker-dealer having at least \$5 billion in assets and \$500 million in capital and subject to regulation of capital standards by any state or federal regulatory agency; and
  - c. counterparty that meets the following criteria:
    - d. a long-term credit rating of at least 'AA' or the equivalent from an NRSRO; or
    - e. a short-term credit rating of at least "A-1" or the equivalent from an NRSRO; and
    - f. counterparty that has been in operation for at least five years.
7. Collateral under repurchase agreements with a maturity of 1 business day may be held by the agreement counterparty. Collateral under repurchase agreements with a maturity of greater than 1 business day must be held by an independent custodian.

**Money Market Mutual Funds (Open-Ended Investment Funds)** - Shares in open-ended, no-load, money market mutual funds ("MMMF's"), provided such funds are registered under the Federal Investment Company Act of 1940 and rated at least "AAAm" or the equivalent by an NRSRO. The mutual fund must comply with the diversification, quality, and maturity requirements of Rule 2a-7, or any successor rule, under the Investment Company Act of 1940. No more than 50 percent of the portfolio may be allocated to MMMF's with no more than 25 percent of the portfolio being invested with any Money Market Mutual Fund issuer. The University's assets must not represent more than 10 percent of a fund's total assets.

#### **Permitted Investments – Tier 2**

- Any investment eligible to be held in Tier 1
- Publicly traded corporate debt and municipal securities, if rated, must be investment grade or higher (down to BBB-).
- Securities with a rating in the triple B category may not comprise more than 20% of the Tier 2 portfolio.

#### **Permitted Investments – Tier 3**

- Any investment eligible to be held in Tier 1 or Tier 2
- Other investments including: foreign currency, domestic and global equity, global and emerging market securities, real estate, private loans, private equity, and hedge funds.
- No restriction to credit ratings and unrated securities are permitted

## Portfolio Risk Management

### *Interest Rate Risk*

Tier 1: Maximum duration of 9 months, maximum maturity of 2 years

Tier 2: Maximum duration of 3 years, maximum maturity of 5 years

Tier 3: Portfolio is expected to be invested as Funds Functioning as Endowment or Quasi-Endowment and, consequently has no duration or maturity limits

### *Credit Risk*

Tier 1: As provided above under Permitted Investments. In the event of a split rating, the lowest rating should be considered when determining the appropriate rating category.

Tier 2: As provided above under Permitted Investments. In the event of a split rating, the lowest rating should be considered when determining the appropriate rating category. Unrated securities are permitted in this portfolio.

Tier 3 – No credit limitations

## Portfolio Benchmarks

The returns earned by the University's Cash & Investment Pool will be compared on a quarterly basis to a benchmark with similar risk/return characteristics.

The applicable benchmarks for each of the University's three Portfolio Tiers are listed below:

Tier 1 - Barclays U.S. Treasury Bill Index

Tier 2 - Barclays US 1-5 Year Corp Index

Tier 3 - A custom benchmark will be developed reflecting the return objectives and risk tolerances as the portfolio develops. In addition, the portfolio's performance will be compared to other higher ed endowment portfolios of comparable size using the annual NACUBO-Commonfund Study of Endowments. The Tier 3 portfolio will be expected to rank at the 33<sup>rd</sup> percentile or higher over a five-year period.

## Portfolio Diversification

The Fund's investments shall be diversified by security type and institution. Concentrations in individual securities, industries and economic sectors should not be so high as to subject the Fund to undue risk.

The maximum percentage of the asset allocation and issuer limit permitted in each eligible security shall be as follows:

	<b>Tier 1 Portfolio</b>	<b>Tier 2 Portfolio</b>	<b>Tier 3 Portfolio</b>
U.S. Treasury Obligations	100%/100%	100%/100%	100%/100%
Federal Agency Obligations	100%/40%	100%/40%	100%/40%
Collateralized Bank Deposits	50%/25%	10%/10%	10%/10%

	<b>Tier 1 Portfolio</b>	<b>Tier 2 Portfolio</b>	<b>Tier 3 Portfolio</b>
Negotiable Certificates of Deposit and Bank Deposit Notes	20%/5%	20%/5%	20%/5%
Non-Negotiable Certificates of Deposit / Time Deposits	10%/3%	20%/3%	20%/3%
Bankers' Acceptances	35%/5%	35%/5%	35%/5%
Corporate Debt Obligations	20%/5%	50%/5%	50%/5%
Asset-Backed Securities	10%/3%	10%/3%	10%/3%
Commercial Paper	35%/5%	20%/5%	20%/5%
Municipal Obligations	10%/5%	20%/5%	20%/5%
Repurchase Agreements	50%/25%	50%/25%	50%/25%
Money Market Mutual Funds	50%/25%	50%/25%	50%/25%
Other Investments*	0%	0%	100%/5%

*\*These assets may be managed by third party investment management firms and subject to specific guidelines developed at the time the manager is engaged. If the Foundation is the manager of any Tier 3 assets then the applicable Foundation Investment Policy Statement governs and supersedes any limits set forth in these investment guidelines. If the Oregon State University or the State of Oregon is the manager for any of the portfolios, the policies established by the Oregon Investment Council govern and supersede any limits set forth in these investment procedures.*

The sector and issuer limits shall be applied to each Portfolio at the date of acquisition. For all pooled investments, with the exception of pools managed by the Foundation, the University's holdings must represent no more than 10 percent of the net assets of the pool.

**Subsequent Events** - The limitations established by this Investment Policy will apply at the time a security is purchased and will be based on the then-current book value. Should a subsequent event cause a security or the investment portfolio to no longer meet the specifications of the Investment Policy, the President will determine the appropriate course of action. There is no requirement that a security be sold prior to maturity if it no longer meets the criteria set forth in this Investment Policy. Further, any security held by the University at the time this Investment Policy was adopted may be held to its maturity.

### **Prohibited Investments and Investment Practices**

The University is expressly prohibited from the following investments and investment practices in the Tier 1 and Tier 2 Portfolios:

- a) Borrowing funds for the sole purpose of reinvesting the proceeds of such borrowing;
- b) Speculative trading (repetitive buying and selling of the same or similar securities for the purpose of capital gains);
- c) Investment in complex derivatives such as range notes, dual index notes, inverse floating rate notes and leveraged notes, or notes linked to lagging indices or to long-term indices

- d) Investment in collateralized mortgage or debt obligations (CMOs and CDOs); and
- e) Investing in any security not specifically permitted by this Policy.

## **Investment Income Distributions**

### **Legally Restricted Interest Income**

Funds that have legally restricted interest will only be placed in either Tier 1 or Tier 2. Funds that are legally required to have their interest restricted to a specific purpose will receive interest based on a blended rate of the Tier 1 and Tier 2 portfolios that will be applied to the average daily balance of that fund.

### **Other Distributions of Interest Income**

The President may authorize other funds to also receive interest income and set the rate of interest that will be paid by the internal bank. That rate is currently set at 1.35% per annum.

### **Special Considerations for the Investment of Gifts**

Gifts are generally directed to the Foundation but donors periodically make gifts directly to the university.

When the donor indicates their desire to create an endowment, such gifts will become part of the Tier 3 portfolio. Unless otherwise directed by the President, gifts of more than \$50,000 will be used to create a quasi-endowment and such gifts will also become part of the Tier 3 portfolio. Using an average of the last 20-quarter end valuations, endowments and quasi-endowments will receive 4% of the gift's corpus per annum to spend as directed by the terms of the gift. The spendable portion will be placed in a specific gift fund that will be restricted per the donor's directives.

Refer to the University's Gift Policy for more complete information regarding the handling of gifts.

## LIABILITY MANAGEMENT PROCEDURES

### General Considerations

Debt, or other capital financing, may be used for any purpose that furthers the mission of the university

The University is not restricted to traditional municipal debt instruments. Other instruments like mortgages, long-term leases, and other funding mechanisms that may emerge over time may be considered.

When capital financing is being contemplated, the President will evaluate:

- How the funds raised will achieve the University's strategic objectives
- Alternative sources of funding and the cost of the funds
- How the financing affects the university's ability to meet its existing obligations
- The feasibility and appropriateness of the source of repayment
- How the financed project will affect the future fiscal health of the university

The base case assumption for all debt issuances is for tax-exempt fully amortizing fixed-rate level debt service that matches the life of the underlying capital projects with a 10-year call. Any structural deviations considered will be compared to this base case.

If variable rate debt is being considered, interest costs will be estimated using a range of two standard deviations based on historical volatility.

The university will use a professional financial advisor to provide advice on all contemplated debt and debt-related transactions.

Refundings of any outstanding debt may be pursued in order to achieve cost savings. Refunding savings in excess of 5% or \$1 million/year should be captured as quickly as possible unless advised otherwise. Should it be desirable and beneficial to the University, bonds may be refunded as taxable bonds.

### Post-Issuance Compliance for Tax-Advantaged Bonds

The University is committed to ensuring that bondholders continue to enjoy the tax benefits of holding university-issued tax-advantaged bonds and follows a rigorous compliance program. Whether such bonds were issued by the State of Oregon for the benefit of the University or issued directly by the University, the same post-issuance compliance procedures are followed. For the convenience of the State of Oregon, their preferred procedures, as shown in Exhibit C of the Debt Payment Service Agreement signed by this university on June XX, 2013 are included in this document. [what follows is the entire contents of the current draft of Exhibit C]

**EXHIBIT C**  
**FORM OF POST-ISSUANCE COMPLIANCE POLICIES**

**Purpose**

[Independent University] (the “University”) has adopted these procedures (the “Procedures”) effective [date] in connection with the issuance of one or more series of tax-exempt bonds (the “Bonds”). The University has adopted these Procedures to create internal procedures that will ensure that it complies with promises made in the Bond documents and to ensure that it complies with all applicable requirements of:

- (i) federal tax law necessary to preserve the continued tax-exempt status of interest on any Bonds issued on a federally tax-exempt basis (the “Applicable Federal Tax Law”);
- (ii) federal securities laws applicable to any Bonds sold pursuant to a public offering, including the provisions of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”) and the Securities Act of 1933 and the Securities and Exchange Act of 1934 (the “Applicable Securities Law”), and;
- (iii) any other applicable regulations (collectively, the “Applicable Regulations”) associated with the Bonds.

These Procedures describe in general terms the requirements of applicable law, but are not comprehensive in nature. The University will consult, as needed, or as directed by the State, with counsel experienced in municipal finance (“Bond Counsel”) to ensure the University’s ongoing understanding of its compliance obligations and continued compliance with applicable requirements.

**I. GENERAL POST-ISSUANCE COMPLIANCE REQUIREMENTS**

**A. Officials Responsible for Compliance**

1. *Tax Compliance Officer.* The University designates its \_\_\_\_\_ as its “Tax Compliance Officer” with the primary responsibility to ensure compliance with Applicable Federal Tax Law relating to all Bonds. The Tax Compliance Officer will review these Procedures and the Tax Certificate annually.

2. *Delegation of Duties.* Consistently with the procedures of the University, the Tax Compliance Officers may delegate certain duties to others. All references to the duties of the Tax Compliance Officer in these Procedures include actions by such person's designee.

**B. Resources for Designated Tax Compliance Officer.** The University will make the necessary resources available to the Tax Compliance Officer to support their understanding of, and ability to comply with, the requirements of applicable law. These resources may include (without limitation) engagement of and consultation with Bond Counsel, hiring an arbitrage rebate consultant, and continuing education relating to tax and disclosure requirements.

The Tax Compliance Officer should have access to documents from all Bond closing transcripts and related documents, including the following:

- Tax Certificate (the “Tax Certificate”); and
- Copies of each Annual Compliance Certificate.

C. Record Keeping Requirements

The Tax Compliance Officer will maintain at least the following documents for the term of each issue of Bonds (including refunding Bonds, if any) plus at least three years:

- a. Transcript of bond transaction
- b. Form 8038, Form 8038-G or Form 8038-GC filed with the IRS
- c. Documentation evidencing use of bond financed property by general public and nongovernmental users, including copies of management contracts, leases and sponsored research agreements.
- d. Documents evidencing all sources of payments or security of the bonds
- e. Documents pertaining to any investments of bond proceeds, including the purchase and sale of securities, SLG subscriptions, yield calculations for each class of investments investment income received from the investment of proceeds, guaranteed investment contracts and rebate calculation reports
- f. Documents regarding the allocation of bond proceeds to expenditures (e.g. allocation of bond proceeds to expenditures for construction, renovation, or purchase of facilities)
- g. Documents regarding allocation of bond proceeds to bond issuance costs
- h. Copies of requisitions, draw schedules, draw requests, invoices, bills and cancelled checks related to bond proceeds spent during the construction period
- i. Copies of all contracts entered into for the construction, renovation or purchase of bond-financed facilities
- j. Records of expenditure reimbursements incurred prior to issuing bonds for facilities financed with bond proceeds
- k. Asset list or schedule of all bond-financed facilities or equipment
- l. Records regarding the purchase and sale of bond-financed assets

D. Certifications.

The University will comply with all requests by the State to confirm its compliance with all continuing obligations of the University related to the Bonds.

## **II. POST-ISSUANCE TAX COMPLIANCE REQUIREMENTS**

### **A. General Matters**

The University will consult with the Bond Counsel and other legal counsel and advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the interest on Bond will continually qualify for tax-exempt treatment. These requirements and procedures will be documented in the Tax Certificate, Loan Agreement and other documents finalized at or before issuance of the Bonds.

### **B. Expenditures of Bond Proceeds**

1. *In General.* Upon the issuance of any issue of new money Bonds, the University must reasonably expect to spend at least 85% of all of the proceeds of the Bonds (“Bond Proceeds”) that are expected to be used to finance capital projects (excluding proceeds in a reserve fund or for any non-project purpose) within three years of issuance. The University must also have incurred or reasonably expect to incur, within six months after issuance of the Bonds, binding obligations to unrelated parties involving an expenditure of not less than 5% of such amount of Bond Proceeds, and must reasonably expect that completion of the capital projects and allocations of Bond Proceeds to costs will proceed with due diligence. If they exist, these three expectations will be documented in the Tax Certificate and will allow the Bond Proceeds to be invested at an unrestricted investment yield for three years from the date of issue, regardless of whether 85% of the Bond Proceeds are actually expended within three years. Other limitations or adjustments may be set out in the Tax Certificate. See Section II.E. of these Procedures for rebate and rebate exceptions.

The Tax Compliance Officer must summarize the expenditures made with the Bond proceeds (the “Final Allocation”), showing the assets or portion thereof financed with Bond Proceeds and the assets or portion thereof financed with other funds. The Final Allocation must be made not later than the later of 18 months after the date of the expenditure, i.e., that date a check is written in anticipation of receipt by the payee within 5 banking days of the date the check is drawn, or 18 months after the date the facility to which the expenditure relates is completed and is operating at substantially the level for which it was designed, but in all events not later than 60 days after the end of the fifth year after issuance of the Bonds (or 60 days after none of the Bonds are outstanding, if earlier).

2. *Establishment of Calendar.* On the date of issuance of any Bond, the Tax Compliance Officer will identify for that Bond issue:

- The funds and/or accounts into which Bond Proceeds are deposited.
- The types of expenditures expected to be made with the Bond Proceeds deposited into those funds and/or accounts and any expenditures prohibited from being made from such funds and/or accounts.
- The dates by which Bond Proceeds described in Section II.B. of these Procedures must be spent or become subject to arbitrage yield limitations (“Expenditure

Deadlines”) and all interim dates by which funds and/or accounts must be checked to ensure compliance with the applicable Expenditure Deadlines.

3. *Expenditure Failures.* If the Tax Compliance Officer discovers that an Expenditure Deadline has not been met, he or she will consult with Bond Counsel to determine the appropriate course of action with respect to such unspent Bond Proceeds. The University will take the appropriate action needed with respect to unspent Bond Proceeds, including yield restriction, redemption of Bonds, or other action.

4. *Final Allocation.* The Tax Compliance Officer will timely make the Final Allocation in a manner consistent with allocations made to determine compliance with arbitrage yield restriction and rebate requirements (See Section II.E. of these Procedures).

5. *Records of Expenditures.* The Tax Compliance Officer will maintain records related to the expenditure of Bond Proceeds, including records:

- Identifying all of the assets or portion of assets financed with Bond Proceeds.
- Relating to requests for Bond Proceeds, construction contracts, purchase orders, invoices, and payment records.
- Relating to costs reimbursed with Bond Proceeds.
- Relating to any action taken as a result of a failure to meet the Expenditure Deadlines.
- The Final Allocation and all supporting documentation.

The Tax Compliance Officer will ensure that these records will be retained for the life of the Bonds, plus any refunding bonds, plus three years and may be in the form of documents or electronic copies of documents, appropriately indexed to specific Bond issues and compliance functions. If the University maintains electronic records, it will have a document migration policy in place.

C. *Project Use Requirements*

1. *In General.* No more than the lesser of 10% or \$15 million of the net proceeds of the Bonds may be used for a Private Business Use (as hereinafter defined) as further provided in the Tax Certificate. A more strict limit of 5% applies to net proceeds used for a Private Business Use that is disproportionate or unrelated to the governmental uses of the Project.

For this purpose, “net proceeds” means the sale proceeds of the Bonds less amounts deposited in a reasonably required reserve fund, plus investment earnings on sale proceeds (including investment earnings on a reasonably required reserve fund following completion of the project).

For this purpose “Private Business Use” generally means use of the assets financed with Bond Proceeds (“Bond-financed Assets”) in a trade or business by a business entity (e.g., a corporation or partnership whether or not it is a 501(c)(3) entity) or the Federal government (a “Private User”). Private Business Use will arise from the lease or sale of the Bond-financed Assets to a Private User. Private Business Use will generally arise through a contract whereby a Private User manages, operates or provides services with respect to Bond-financed Assets (a “Management Contract”). Private use may also arise as a result of the University entering an agreement (a “Research Agreement”) to engage in research in bond-financed space, if such research is sponsored by a Private User or as a result of an agreement for the sale of naming rights to a bond-financed facility. However, certain exceptions exist to these rules, which exceptions are best interpreted and applied by Bond Counsel.

2. *Monitoring of Private Business Use.* For each Bond-financed Asset, the Tax Compliance Officer will determine the expected use of such asset and whether such Bond-financed Asset is or will be subject to any contracts that may give rise to Private Business Use.

The Tax Compliance Officer will inform the persons responsible for the management and operation of the Bond-financed Asset (“Asset Managers”) of the Private Business Use restrictions relating to the Bond-financed Asset. The Tax Compliance Officer will work with Asset Managers to identify and discuss any existing or planned use of Bond-Financed Assets that may give rise to Private Business Use.

The Tax Compliance Officer will require Asset Managers to submit any Management Contract, Research Agreement or naming rights agreement with respect to any portion of Bond-financed Assets for his or her review prior to entering such agreement. The Tax Compliance Officer will consult with Bond Counsel or other capable advisors to determine whether such Management Contract, Research Agreement, or naming rights agreement constitutes Private Use.

3. *Sale, Transfer or Lease.* The Tax Compliance Officer will ensure that no Bond-financed Asset (or naming rights with respect to a Bond-Financed Asset) will be sold, leased or transferred without prior approval by Bond Counsel.

4. *Identification and Correction of Violations.* If the Tax Compliance Officer determines that the use of Bond Proceeds or Bond-financed Assets is different from the covenants and representations set forth in the Tax Certificate, he or she will contact Bond Counsel in a timely manner. The University will cooperate fully with its advisors regarding various remedies available to prevent an adverse effect on the Bonds.

5. *Record Keeping Requirements.* The Tax Compliance Officer will keep or delegate to each institution the responsibility to keep copies of all Management Contracts, Research Agreements, and other arrangements involving the lease, management, sale, operation, service or other use of all Bond-financed Assets. Such records will be retained for the life of the Bonds, plus any refunding bonds, plus three years and may be in the form of documents or electronic copies of documents, appropriately indexed to specific Bond issues and compliance functions.

*D. Investment of Proceeds*

On the date of issue of any Bond, the Tax Compliance Officer will identify for that obligation:

- All of the funds and/or accounts into which Bond Proceeds are deposited and the applicable yields at or below which such funds and/or accounts must be invested.
- Any funds and/or accounts that are not directly funded with Bond Proceeds which must be invested at or below the yield on the obligations.

The Tax Compliance Officer will ensure that the investment of Proceeds is in compliance with the applicable yield restrictions contained in the Applicable Regulations.

The Tax Compliance Officer will obtain regular, periodic (monthly) statements regarding the investments and transactions involving Bond Proceeds.

The Tax Compliance Officer will keep all records with respect to investments, including:

- United States Treasury Securities-State and Local Government Series subscription information.

- The solicitation and all responses received from the bidding of any government obligations.
- Records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

*E. Arbitrage Yield and Rebate*

The Tax Compliance Officer will be responsible for the prompt calculation of rebate. The University may engage the services of an arbitrage rebate services provider, and in that event, the Tax Compliance Officer will timely provide to the provider statements regarding investments and transactions involving Bond Proceeds and all other requested documents and information.

The Tax Compliance Officer will assure prompt compliance with required rebate payments, if any, or, if a rebate service provided is engaged, monitor the arbitrage rebate service provider to assure compliance with required rebate payments, if any.

During the construction period of a capital project, the Tax Compliance Officer will monitor the investment and expenditure of Bond Proceeds, and, if applicable, consult with the arbitrage rebate service provider or Bond Counsel to determine whether the University is meeting any spending exception.

In the event that a rebate payment is due, the Tax Compliance Officer will ensure that such rebate payment is accompanied by a Form 8038-T.

The Tax Compliance Officer will retain copies of all arbitrage reports, related return filings with the Internal Revenue Service, and copies of cancelled checks with respect to any rebate payments and information statements. Such records will be retained for the life of the Bonds, plus any refunding bonds, plus three years and may be in the form of documents or electronic copies of documents, appropriately indexed to specific Bond issues and compliance functions.

**Process for Evaluation of Proposed Capital Projects**  
**2015 Legislative Funding Cycle.**  
**Revised: January 14, 2014.**

**Background**

This coming Spring we expect the new Higher Education Coordinating Commission (HECC) to ask the university to submit proposals for state-funded capital projects. At this point in time, we do not yet know what process or specific criteria the HECC will use for prioritizing projects, nor what information they will request about each project. We do, however, know that we are likely going to get a request for our campus's proposed projects sometime in the next four to five months and we want to be prepared to respond quickly to that request.

**Capital Project Proposal Process.**

This term we are launching a two-stage process to prioritize our campus's proposed capital projects. The first step will be for Deans, Vice-Presidents, and Vice-Provosts to submit proposed projects to the Space Advisory Group (SAG) for consideration. Project proposals for this first stage should be short summaries of the project (1-3 pages) that provide an overview of the project, including a summary description, the programs served, the spaces included by type, the square footage of new space and renovated space, the projected cost, and the presumed sources of funding (see sample form attached). Projects proposing to be funded with private funds will need to demonstrate the likelihood of achieving the levels of funding proposed. The summary should also directly articulate how the project meets the criteria outlined below including those of the Provost. Campus Planning Office staff is available to assist in the preparations of these summaries. They will provide assistance on space needs and how to accommodate these in a project, cost estimates, and feasibility reviews. Initial proposed project summaries are due to the Provost's office by February 28<sup>th</sup>, 2014.

The Space Advisory Group will be reviewing all project proposals and making recommendations to the Provost about which projects should be included for consideration in the second stage of the process. During the second stage of the process, we will be asking units to provide more specific information about each of the projects, based on the criteria and directions that we receive from the HECC. This will enable us to prioritize the proposed projects using both our own campus criteria and the direction that we receive from the HECC about their evaluation process.

## **Project Proposal Evaluation Criteria**

The Provost has advised the Space Advisory Group to use the following criteria to evaluate the proposals:

### **1. *Space Needs Assessment***

The Space Advisory Group recently completed a space needs assessment identifying the campus's critical space and infrastructure needs over the next five years. Due to the timing of the upcoming capital campaign and the current strategic planning conversations taking place on campus, there was not time to go through a traditional facilities planning process. Instead the SAG pulled this report together based on information and analysis already in progress from constituent interviews, the committee for academic infrastructure, projected tenure-related faculty hiring needs, and other previous cycles of facilities planning.

Various standards or methods were used to determine the most pressing short-term facility needs:

- The classroom need is defined as the additional seats necessary to return the university to the 2007 ratio of students enrolled to classroom seats. This will significantly reduce the current pressure that we have on classrooms and help ensure more flexibility in class scheduling.
- Needs for additional class lab and studio stations were based on 2012 ratios of students enrolled to such stations.
- The needs for tenure-related faculty offices and labs are linked to current plans to increase the total number of tenure-related faculty to support recent student growth.
- The individual unit needs were created using input from each dean or vice president and limiting these needs to those which are most urgent -- generally facilities needed immediately to accommodate programs and uses already in place.
- The list of classrooms to be renovated is derived from a list prepared by the Committee for Academic Infrastructure.
- The deferred maintenance needs are prioritized using a ratio of the cost to replace a building's worn out systems to the cost of replacing the building. Those buildings with the greatest needs tend to be those which are older. Other factors in determining deferred maintenance include the seismic resilience of the building and its historic value.

Meeting these needs, particularly the University priorities, will be one of the criteria for ranking projects as the university prepares its submittal to the state for funding. Please see report below for details.

## **2. *Provost Criteria for Evaluating Strategic Proposals***

With input from ELT, ALT and FAC, the Provost's office has developed a list of criteria to be used for strategic planning purposes this Spring. We expect our new Board to engage in strategic planning discussions next year, however, we have many decisions, such as the prioritization of our capital project requests, that need to be completed before the Board can engage in this exercise. For this reason, we will be using this set of criteria to guide strategic budget, campaign, and capital decisions this Spring. See attached document for details.

## Space Needs Assessment Report

### University Priorities

space type	amount	intended unit(s)	notes
<b>Classrooms</b>			
general university classrooms	1,340 seats as 1 – 350 seat lecture 1 – 200 seat lecture 1 – 100 seat lecture 1 – 100 seat flexible 1 – 80 seat flexible 1 – 50 seat flexible 4 – 40 seat flexible 10 – 30 seat flexible	registrar	preference to 100, 80 and 50 seat classrooms
<b>Class Labs and Studios (split 25% science labs and 75% studio labs)</b>			
Science Labs	10 seats - lower division 16 seats - upper division	CAS	
Studio Labs	29 seats - lower division 51 seats - upper division	Music, A&AA, Cinema Studies, etc.	
<b>Learning Commons/Distributed Informal Learning Spaces</b>			
Learning Commons	20,000 asf	Library	Requires off-site storage facility
Distributed Informal Learning Spaces	7,700 asf		To be included in projects with classrooms
<b>Tenure Related Faculty (TRF) new hires</b>			
Tenure Track Faculty (TRF) Offices	40 to 50 offices -- 120 asf each		Offices needed for new TRF hires over next

			five years
TRF labs, wet labs with hoods, etc	5 labs -- 1,500 asf each		These are associated with the new TRF hires
TRF studios	6 studios -- 375 asf each		These are associated with the new TRF hires
<b>Infrastructure</b>			
Classroom Renovations	10 most critical	McKenzie 475 & 240b, Volcanology 307, Wilamette 112, Clinical Services 250, Esslinger 116 & 112, Gerlinger 242, Columbia 45 & 150	
Building Deferred Maintenance	7 most critical	Villard, Condon, Chapman, Deady, Friendly, Huestis, and Agate	
Tunnel System Repairs and Expansion			

### Individual Unit Priorities

**Note:** These were the top priorities identified by Deans and Vice Presidents in SAG interviews conducted this past year. It is expected that there may be additional individual unit priorities that have developed as part of recent strategic planning efforts.

space type	amount	intended unit(s)	notes
<b>General Program Spaces</b>			
Offices and support spaces	7,500 asf	A&AA	Sustainable Cities Initiative, Planning Public Policy and Management, Product Design
Offices and support spaces	16,500 asf	CAS	American English Institute
Offices and support	1,400 asf	Education	Family and

spaces			Human Services
Offices and support spaces	2,000 asf	Research	Sustainable Environmental Sciences
<b>Non TRF Offices</b>			
Offices only	81 – 100 asf each	CAS, A&AA, Journalism	
Graduate Teaching Fellows Offices only	15 – 50 asf each	Journalism	
<b>Administration</b>			
Offices	1- 120 1- 80	Distinguished Scholarship Program	Undergraduate Studies
Offices	4 – 120 asf each	Independent Board	VPFA
Offices	4 – 100 asf each	Dean of Students	Student Affairs
<b>Museums</b>			
Museum Storage	1,000 asf	Museum of Natural and Cultural History – Jensen Collection	

**UO Office of the Provost**  
**Criteria for Evaluating Strategic Proposals**  
January 10, 2014

**UO Mission**

As a comprehensive academic institution, the University of Oregon offers exemplary teaching and learning to the public through a wide range of graduate and undergraduate programs and provides educational opportunities for all Oregonians, regardless of race, ethnicity or income. As a premier research university, we promote high quality scholarship, research and creative activity. And as a public university, we advance the state's economic, civic and cultural vitality through engagement with the State of Oregon, its communities, as well as the nation and the world.

Our mission statement and academic plan affirm our commitments to excellence, access and financial stability in general terms, but we need a focused set of goals for preparing planning documents, setting strategic priorities and evaluating budgetary alternatives for the coming year. Until our new UO Board of Trustees is installed and helps us establish new priorities, the Provost's Office offers the following goals to inform immediate planning.

**Intermediate Goals**

These aspirational principles are intended to guide decisions about operating budgets and priorities for the near term. Please use them in your strategic planning processes, including preparing budget proposals, setting campaign goals, proposing capital projects, evaluating competing proposals, and setting priorities. The Provost's Office will use these criteria centrally to set targets and gauge success against clear and measurable outcomes in the coming year.

**ACADEMIC EXCELLENCE**

- **Support Research and Creative Activity.** Encourage academic success by promoting programs that support the highest quality research, scholarship and creative activity.
- **Build Faculty Excellence.** Recruit and retain exceptionally promising tenure-related faculty and promote recognition of faculty accomplishments to build national and international distinction.
- **Invest in Focused Areas.** Build on existing strengths and selectively invest in new academic programs with a high probability of providing sustainable strategic advantage to the UO.
- **Encourage Collaborative Innovation.** Promote high quality interdisciplinary programming and encourage cross-unit efforts to support students, teaching and research.

**ACCESS AND STUDENT SUCCESS**

- **Ensure Public Access.** Increase educational attainment in Oregon and provide opportunity for all qualified Oregonians regardless of income.
- **Promote Diversity.** Develop and enhance programs to increase diversity among students, faculty and staff, with emphasis on recruitment, retention and evaluation.
- **Foster Undergraduate Student Success.** Increase qualifications of incoming students and promote quality undergraduate instruction, retention and improved graduation rates.
- **Support Graduate Education.** Increase quality and diversity of incoming graduate cohorts, improve graduate program performance and enhance success of graduate degree recipients.

**FINANCIAL STABILITY, EFFICIENCY AND COMPLIANCE**

- **Promote Safety and Compliance.** Protect campus safety and ensure compliance with federal, state and university laws, regulations, and policies.

- ***Seek Efficiencies.*** Facilitate efficient and effective delivery of support services and implementation of sound business practices.
- ***Ensure Financial Stability.*** Encourage long-term financial viability and the sustainability of the University of Oregon.

# DRAFT

## DRAFT HECC LETTER

May XX, 2014

Dear Chair Nesbitt, Executive Director Cannon, and Members of the Commission,

Thank you for this opportunity to provide the Commission the University of Oregon's request for capital construction project funding. We are especially mindful of the need to address in our capital planning both the state's 40-40-20 goals and the important knowledge creation and innovation interests of Oregon. Further, our request reflects our important stewardship obligation for the maintenance and safety of the university's existing buildings.

Attached you will find the detailed proposals of our request, including:

1. The College and Careers Building
2. The Learning and Innovation Hub – School of Architecture and Allied Arts/Research Innovation Center
3. Chapman Hall Remodel
4. Klamath Hall Remodel and Addition
5. Regional Library Collections Center and the Knight Library Academic Commons
6. Franklin Research Lab Building

The University of Oregon's request addresses space and classroom needs while creating cross disciplinary learning and discovery opportunities, addresses deferred maintenance and safety issues in buildings housing key programs, and accommodates additional researchers and enhancements for undergraduate education.

In order to add to the classroom inventory of the campus, the first two priority projects together include 1,100 classrooms seats or slightly more than 80 percent of the 1,340 needed while housing programs to create cross disciplinary opportunities. The first priority, *The College and Careers Building*, innovatively combines career planning support to aid in retention, on-time graduation and options for rural and low income students with spaces for a College Scholars honors program, and increased office spaces for academic programs. The second, *The Learning and Innovation Hub – School of Architecture and Allied Arts/Research Innovation Center*, provides new spaces to house a broad spectrum of cross disciplinary programs, research collaboration, experiential learning, and economic development. Programs housed range from the fine arts and product design to materials research and business creation.

The next two projects, the *Chapman Hall Remodel* and the *Klamath Hall Remodel and Addition* projects, provide critically needed improvements to two aging buildings on the campus. Klamath Hall's award winning Chemistry Department's researchers will benefit from renewed labs leading to excellent research and economic development through new discoveries. Chapman Hall will be renovated to enable an expansion of the Clark Honor's College, a program that helps keep Oregon's best and brightest

students in the state. Chapman Hall is one of 14 buildings ranked in the highest category, 'primary', in a survey of historic resources and together these buildings total 122 years of service to the university without any measurable improvements.

The final duo of projects, the **Regional Library Collections Center and the Knight Library Academic Commons** and the **Franklin Research Lab Building**, represent the next horizon of scientific research on campus and an innovative approach to providing for the needs of the undergraduates on campus. The Collections Center provides off-campus storage for materials housed within the Knight Library. It frees space within the library building for undergraduate advising and counseling, tutoring, and collaborative work in a new Academic Commons strategically located in the academic heart of the campus, while leveraging the expertise of librarians in the building. The Research Lab Building can house an additional 30 researchers doing research within labs containing the most sophisticated equipment on campus.

The Chapman Hall project would be partially funded from \$5.5 million of state paid XI-Q bonds typically supplied to campuses for deferred maintenance projects. For the remainder of the Chapman Hall project and all of the remaining projects, funding is anticipated to be an equal share of state-paid XI-G bonds and other matching funds supplied by the University such as gifts and grants. In total the request for XI-G bonds is \$116.125 million and includes \$116.125 of the other matching funds. The University has a stellar record of providing the required match of funds dating back to the early 1990's when this approach to capital construction funding was first implemented.

Taken together the proposed projects will address approximately \$13 million of the currently identified \$270 million of deferred maintenance and seismic upgrade backlog on campus. The University has a three part approach to deferred maintenance. First, an aggressive preventative maintenance program is in place to keep the backlog as low as possible. Next, the University has historically received approximately \$4 million in annual funding from the state for a Capital Improvement program. This program is aimed at the most critically urgent items on the deferred maintenance list. Typically this includes roofs and failing mechanical systems. Sitelines, a national consulting firm for facilities and maintenance data, estimates the university should be spending about \$20 million annually in this category. Finally, the Legislature has from time to time supplied funding for the repair of entire buildings. Referred to as the Deferred Maintenance program, this source has most recently provided funds for Fenton and Straub Halls. Maintaining these programs is critically important if the University is to keep its aging buildings in condition to house the programs within them.

In particular, it is very important that the \$4 million of annual funding for Capital Improvements be continued. This Capital Improvement funding is critical to the UO campus and our top priority would be to see this funding increased (ideally to at least \$6 million per year) so that we can invest appropriate resources into our existing facilities' infrastructure.

In summary, the University's request for funds for construction projects addresses our most critical needs in classroom seats and offices for faculty and proposes to renew buildings which are historically significant and house key programs. The identified projects also combine programs in innovative and creative ways to further the missions of the University. Most importantly, the projects address the broad ideals of 40-40-20 and, if funded, could provide 2,100 construction jobs in the local economy. Over the

last 20 years, the University has constructed about 30% of the campus' current space through the combined resources of the state and the generosity of its supporters. Over the same time period, the University has matured and emerged as the fine institution it is today. The projects identified here will add to this legacy, expanding educational opportunities for Oregonians.

Sincerely,

Michael Gottfredson  
President

<b>Top Priority: Maintain and expand Capital Improvement funding (at least \$6 million per year)</b>								
priority	biennium	Name	Type	State paid XI-G	State paid XI-Q	Revenue	Other	Total Cost
1		College and Careers Building	Current Space Needs	15,500,000			15,500,000	31,000,000
2		Learning and Innovation Hub – School of Architecture and Allied Arts/Research Innovation Center	Current Space Needs	26,625,000			26,625,000	53,250,000
3		Chapman Hall Renovation, Seismic Upgrade and Deferred Maintenance	Deferred Maintenance	2,500,000	5,500,000		2,500,000	10,500,000
4		Health and Safety Renovation of Klamath Hall for 21st Century Chemistry	Current Space Needs and Deferred Maintenance	9,250,000			9,250,000	18,500,000
5		Regional Library Collections Center and Knight Library Academic Commons	Current Space Needs and Deferred Maintenance	16,875,000			16,875,000	33,750,000
6		Research Lab Building	Growth in Faculty	45,375,000			45,375,000	90,750,000
				116,125,000	5,500,000	-	116,125,000	237,750,000

# DRAFT

## UO 2015-2017 Capital Construction Project Requests

### College and Careers Building

#### Project Summary Statement

To achieve Oregon's ambitious long-term goal of 40 percent of Oregonians earning four-year degrees, students must first be inspired to enroll in four-year institutions - and equally inspired to see their studies through to completion. The UO *College and Careers Building* will support both halves of that equation by enhancing student recruitment, retention and graduation rates. It will help the UO attract Oregon's top students and those from underrepresented groups. Specific 40-40-20 goals addressed by this building include:

- Supporting student **Access** and timely **Graduation** rates: The *College and Careers Building* is a ~50,000-gsf facility centrally located in the campus' academic core. It will allow the UO to serve its increased numbers of students by adding much-needed classroom space and classroom seats (~450 new seats). These new classrooms will help alleviate the current classroom shortage and ensure that students can get the classes they need to graduate.
- Promoting student **Success** and **Retention**: The building creates a home base for thousands of College of Arts and Sciences students, situated at the crossroads of campus academic core, where they can take classes and work closely with faculty in seminar and honors settings. This intensive student-faculty interaction will be facilitated by spaces specifically designed for small group and team activities, breakout sessions, and informal learning opportunities.
- Enhancing **Recruitment, Retention** and **Graduation** for a **Diverse** range of students: This facility will be the home of the re-envisioned UO Career Center, which will offer individualized attention to students—including first-generation, rural Oregon, and low-income students—and assist them in developing a plan for the future. Linking the value of college to career opportunities will help attract students from underrepresented groups whose families may place higher emphasis on vocational learning. Research shows that students offered clear career directions are significantly more likely to stay in college, finish in four years and earn a higher GPA.
- Increasing student **Success** with more faculty office capacity in academic core: As currently envisioned, approximately 65% of the *College and Careers Building* will house 1) College of Arts and Sciences college-wide programs, including General Social Sciences, College Scholars, Environmental Studies and the Deans Office; and 2) learning and advising spaces such as the Career Center, small classroom/seminar rooms and tutoring and advising support spaces. Additionally, by re-housing the programs named above in this new building, ~14,000-sf of departmental (primarily faculty) office space will be vacated in existing buildings within the academic core for use by other academic units.
- Supporting Oregon's "**best and brightest**:" CAS College Scholars, a comprehensive honors program, will be housed in the *College and Careers Building*. This program, along with informal learning spaces and seminar classes, will promote intensive student-faculty interaction and will help the UO attract and retain Oregon's best and brightest students, who place high value on one-on-one and small-group attention.

1 **Project Title:** College and Careers Building

2 **Project Narrative:**

The *College and Careers Building* project will enhance student recruitment, retention, graduation, and future success by merging core academic activities with advising on career opportunities. As such, the project supports central elements of the State of Oregon's 40-40-20 Goal and key UO metrics for student access and success, as well as first priority space and infrastructure needs as identified in the Space Needs Assessment Report (SAG, 2014).

The approximately 50,000-gsf *College and Careers Building* will provide: a) much needed classroom and office space in the campus core, b) a home for the University of Oregon's College of Arts and Sciences (CAS), and c) a home for the Career Center. Moving multiple units into this building will create new capacity for faculty offices and academic spaces in Columbia, Pacific, Friendly and Hendricks Halls. Key elements of the project are:

- Classroom and learning space in the campus core: The building's central location within the campus academic core will provide students easy access to 30 to 100-seat, modern classrooms, many controlled by the Registrar's office. Additional space and specialized facilities will be provided for small-group learning activities, breakout sessions, and informal learning spaces.
- A central home for CAS-wide programs: Currently, CAS administrative functions are dispersed among four buildings, with no single location that serves as a home base for CAS. This is in marked contrast to all other UO schools, which have a single, primary location. In addition, the building will house central advising and administration functions for CAS-wide programs (e.g. College Scholars, General Social Sciences, Environmental Studies, portions of CAS IT), which together serve more than 1,300 students each year. Moreover, CAS serves virtually the entire undergraduate population with its wide-ranging array of core academic offerings. The majority of UO undergraduates (more than 60 percent - or more than 10,000 students at any given time) then go on to pursue a degree in one of the 49 undergraduate programs offered in CAS. The *College and Careers Building* creates a home base for these students, enhancing their sense of belonging and commitment to their studies.
- A home for the Career Center: The *College and Careers Building* will house a re-envisioned Career Center, strengthening its partnership with the College. By sharing physical space with CAS, the Career Center will forge a clear connection between students' academic and post-academic careers, and help them to transform their arts and sciences educations into the basis for lifelong career success.
- Additional office and department space: The project will release large portions of centrally located space in Columbia, Pacific, Friendly Hall and Hendricks Hall for use as faculty offices, department space and seminar/conference rooms.

This new CAS academic hub and state-of-the-art teaching and learning facility will foster the mentoring of students from "landing to launch," facilitating their transition into

college and on toward graduation in support of Oregon's 40-40-20 goals. Within this building, students in the arts and sciences will take classes and work closely with faculty in small-group seminar and honors settings. By creating space to enhance and encourage intensive student-faculty interaction, we establish a highly visible facility centered upon the UO's liberal arts and sciences mission, designed for the top students we aspire to attract and retain. By co-locating the UO Career Center in this building, we also provide students and their families direct access to career advising/ counseling and preparation workshops, courses, programs, and events, as well as access to targeted employers, recruiters and professional networks for the professional and graduate-school opportunities that match their identified career values, interests and strengths. In sum, the *College and Careers Building* will not only meet immediate and critical needs for expanded and enhanced facilities to address expanded enrollment; it will also create an academic home for thousands of CAS students each year and reinforce our elemental strengths in arts and sciences education.

In addition, the academic activities in the building will be in close proximity and complementary to the proposed Integrated Service Center for Academic Success (ISCAS), an advising and learning commons to be located in the Knight Library. Together, the *College and Careers Building* and ISCAS will create a centralized hub at the heart of campus dedicated to student success.

### 3 **Detailed Project Description:**

The *College and Careers Building* project will be a three-to-four-story, approximately 50,000-gsf new building built in the academic core of campus. The space will roughly break out as follows: individual workspaces - offices, workstations (60%); general assignment teaching and other (25%); department-controlled teaching and other (5%); and support and technical work areas (10%).

The new facility will provide: a) much-needed classroom and office space in the campus core; b) a home for the University of Oregon's College of Arts and Sciences (CAS); c) a home for the re-envisioned Career Center; and d) approximately 25,000-gsf (14,000-asf) of faculty offices, seminar rooms and other departmental space released for other academic uses in Columbia, Pacific, Friendly, and Hendricks Halls.

As currently envisioned, the *College and Careers Building* will include:

- Flexible, technologically nimble classrooms to serve class sizes from 30 to 100, increasing the number of classroom seats in the university by approximately 300-450 seats
- Seminar rooms for small-group honors classes, study groups, and colloquia
- Meeting rooms for individualized faculty-student mentoring, career interviews, and career advising
- Various learning and collaboration spaces for solo and team study

- New faculty and administrative offices to house CAS-wide programs
- Space for a large variety of CAS programs including, but not limited to, College Scholars (~200 students/year), General Social Sciences (~750 majors) and Environmental Studies (~550 majors); honors programs for all majors; and the CAS Dean's Office
- Career Center flexible space for advising/counseling, career-development workshops, career course sessions, employer information sessions, employer on-campus interviews, and targeted networking and recruiting events
- Underground parking replacing existing on-site parking.

The *College and Careers Building* will support the following activities, programs and populations:

Activities supported:

- Teaching and Learning
  - Classrooms centrally located within the academic core that specifically address classroom sizes currently most needed, including one or two large classrooms (~100 seats), specialized teaching labs, and small specialty classrooms
  - Seminar rooms for small group and honors classes to enable innovative pedagogies
  - Informal learning spaces/team spaces/break-out spaces
- Advising and Mentoring
  - Spaces dedicated to faculty advising and mentoring for 1) undeclared students through CAS College Advising program; 2) academically accomplished undergraduates through CAS College Scholars program; and 3) students in General Social Sciences, Environmental Studies, and other interdisciplinary majors
  - Synergistic relationships with the proposed ISCAS
- Study and Collaboration
  - Open spaces for informal collaboration
  - Variety of specialized spaces for solo and group study, from nooks to team spaces
- Lectures and Events
  - Lectures and co-sponsored events for visiting scholars and speakers
  - Enrichment events for undergraduate special interests (e.g., undergraduate research opportunities, career options for humanities majors, etc.)
- Career Services
  - Career advising and counseling
  - Employer interview space
  - Career curriculum and development workshops
  - Networking space for student, alumni, and employer interaction
  - Student recruitment and information sessions

Programs and Populations served:

- The *College and Careers Building* will serve College of Arts and Sciences college-wide programs noted above, the Career Center under the Vice President for Student Affairs, and the Office of the Registrar through acquisition of new classroom space.

- Faculty office and departmental space vacated in Friendly Hall will serve language departments housed in the building, allowing for consolidation of language faculty and GTFs now dispersed around campus.
- Faculty office and departmental space vacated in Columbia, Pacific, and Hendricks Halls will provide needed expansion room.
- The entire campus will benefit from the creation of a venue that supports broad-based campus lecture series and events.

4 **Clear and Urgent Life, Health and Safety Issues:**

Not applicable

5 **Total Estimated Project Cost:** \$31,000,000.

6 **Funding Request:**

a. <u>Funding Source</u>	<u>Amount</u>	<u>% of Total</u>
G-Bonds	\$15,500,000.	50
Gifts and Grants	\$15,500,000.	50

- b. For Article XI-G bonds, identify the amount and source of the constitutionally required 50% match.

The College of Arts and Sciences has already raised \$550,000 in donations/asks including,

\$100,000 from College of Arts and Sciences Deans Advisory Board member  
 \$100,000 from College of Arts and Sciences donor

- c. For additional required project funding (beyond requested state funds and Article XI-G match), identify the amount and source of the funding.

Not applicable.

- d. Identify the revenue sources that will be used to pay campus-paid debt.

Not applicable.

7 **Project Schedule:**

Start date: Summer 2016

Completion date: Summer 2019

8 **Mark state and/or institutional goals addressed by project:**

- 40-40-20 goal

The *College and Careers Building* project will enhance student four-year college recruitment, retention, graduation, and future success by merging core academic

activities with advising and support for career opportunities. In particular, the project will support the state's 40-40-20 goals, and the 40% target for four-year bachelor's degree holders statewide, by improving UO's graduation rates, which are already the highest of any Oregon public university. It will do so by alleviating the classroom shortage, thus enabling students to more easily get the classes they need to graduate, by providing advising and mentoring space and support to keep them on track for timely graduation, and by making the path to student career success more accessible and well-supported, including preparing them for and connecting them to workforce opportunities. The state's employers and economy show increasing needs for well-educated college graduates able to communicate effectively, think critically, solve problems creatively, and work in collaborative team environments, and the services this building provides are all ultimately directed at meeting those needs.

Statewide economic development or workforce goal

The program mix housed in the *College and Careers Building* will foster the recruitment, retention and graduation of the best and brightest Oregonians, provide career identification and recruitment opportunities starting freshman year and continuing throughout the collegiate experience, and support the reinvestment of the resulting intellectual capital within the state of Oregon. The project will create 268 construction industry jobs.

Other statewide goals

Not applicable.

Institutional goal

*Space Needs Assessment Report*

This project will address the following priorities from the UO's *Space Needs Assessment Report*: the addition of new classroom seats, informal learning spaces and faculty offices located in the campus academic core, as well as the release of current office and meeting/seminar room space for academic use. The project also provides an opportunity to address some of Hendricks and Friendly Halls' deferred maintenance and some ADA compliance issues should funding for deferred maintenance become available.

*Provosts Criteria*

In terms of the *Provost's criteria* (quoted in *italics* below), the *College and Careers Building* will first and foremost *foster undergraduate student success*. Housing the major interdisciplinary CAS programs, the Career Center and classrooms serving many colleges and departments majors under one roof will create a widely used, integrated student learning environment. In particular, integration with the Career Center will

foster pragmatic career support and concrete linkages of students' academic interests to their post-academic career aspirations. Moreover, the proximity of these activities to the Integrated Service Center for Academic Success will create a central core of campus dedicated to student success - akin to a larger, wider-ranging Jacqua Center for all students. The integration of all these features will enhance the appeal of UO to a broader pool of potential recruits and their career-conscious families, thus *promoting diversity* within the UO's student body.

In terms of the Provost's criteria for academic excellence, the *College and Careers Building* explicitly *encourages collaborative innovation to support students and teaching* through housing multiple, complementary activities in one setting. Additional offices, modern classrooms, and multi-use seminar and meeting rooms will also enhance faculty recruitment, morale and retention, thus *building faculty excellence*.

Finally, the project will *promote financial stability, efficiency and compliance* by achieving a minimum of LEED Gold certification and being at least 35% more efficient than the SEED standard code set in the 2010 Oregon Energy Code requirements. This project will comply with federal, state, and university laws, regulations and policies, including adherence to the policies of the Campus Plan. Space in buildings vacated as a result of this project will be more easily renovated to address deferred maintenance issues should funding for deferred maintenance become available.

9 **Impact of project on improving access and success for underrepresented, first generation, rural, and low-income students:**

Making the value of college and an academic education immediately apparent by linking it to career opportunities will have a disproportionately positive impact on students from underrepresented groups, who often come from family backgrounds where college education (as opposed to vocational education) is not reflexively prized. These underrepresented students will benefit from the emphasis on degree completion through the accommodation of academic, advising, mentoring and career-related services and programs co-located in one central facility- the *College and Careers Building*. One example, the facility will enable the Career Center to support efforts to provide college and career resources to traditionally underrepresented student groups, which include: students of color, students with hidden and non-hidden disabilities, LGBTQ students, international students, student veterans, non-traditional students, first-generation students, recovering students, and students who grew up in the foster care system.

# DRAFT

## UO 2015-2017 Capital Construction Project Requests

Learning and Innovation Hub – School of Architecture and Allied Arts/Research Innovation Center

### Project Summary Statement

Learning and Innovation Hub – School of Architecture and Allied Arts/Research Innovation Center

To achieve Oregon's goal of 40 percent of Oregonians earning four-year degrees, the School of Architecture and Allied Arts/Research Innovation and Graduate Education (AAA/RIGE) proposal is based on creating cutting edge facilities offering multi-modal teaching possibilities. This will attract students inspired by the robust combination of hands-on/experiential learning coupled with a rigorous theoretical and creative base, and will inspire them to enroll and to see their studies through to completion. The UO *AAA/RIGE Building* will enhance student recruitment by increasing the cohort already interested in an education connecting maker-space with more typical classroom experiences. A history of higher retention and graduation rates in design fields, based on the totally immersive experience, reinforces the expectation that these rates will only increase. For example, freshman entering UO as a declared AAA major have a 6-year graduation rate of 76.9%.

The engagement with epic design challenges has been proven to attract students from underrepresented groups. Specific 40-40-20 goals addressed by this building include:

- Engaging students, driving student **Access** and timely **Graduation** rates: The *AAA/RIGE Building* is a ~100,000-gsf facility anchoring the south edge of the academic core. It will increase the population capacity of the university by adding much-needed classroom space (~730 new seats) plus another 100 fluid seats in the learning commons. These new classrooms, fabrication and experimental labs, and learning commons will significantly (by over 50%) ease the current classroom/learning space shortage, allowing students to readily access the classes needed to graduate.
- Promoting student **Success** and **Retention**: The building creates an integrated learning environment for hundreds of majors who will learn through hands-on fabrication and scientific labs, including large and small learning environments. It will also be a hub for thousands of UO students who can access lecture classes, hybrid and flipped courses, and fabrication laboratories. These students will work closely with faculty in seminar, peer learning, and studio settings as well as in internship and job preparation. This intensive student-faculty interaction typical in arts and design education, with strong results in retention because of the one-on-one and integrated learning set-ups, will be facilitated by spaces specifically designed for small-group and team activities, breakout sessions, and informal learning opportunities.
- Enhancing **Recruitment**, **Retention** and **Graduation** for a **Diverse** range of students: This facility will house the integrated arts/design/research/innovation collective, which will offer multiple modes of learning to students as well as content addressing community, social, and epic challenges. These varied models for teaching and learning are proven models for enhancing recruitment, retention, and success of diverse student populations. The academic program of Material Studies and Product Design teamed with the Regional Accelerator and Innovation

Network and the Invention Greenhouse will provide a direct pipeline to industry. The AAA/RIGE project is fundamentally built with a professional and entrepreneurial focus, with degree programs specifically established with industry internships embedded in the curriculum. This attracts students from underrepresented groups whose families may place higher emphasis on job-specific learning. Research shows that students offered clear career directions are significantly more likely to stay in college, finish in four years and earn a higher GPA.

- Increasing student **Success** with more faculty office capacity in academic core: Approximately 65% of the *AAA/RIGE building* will be developed to house the college-wide art programs, Material Studies and Product Design; small classroom/seminar rooms, tutoring and advising support spaces. Additionally, departmental, primarily faculty office, space will be embedded in the learning environment for ready student-faculty engagement.
- Supporting Oregon's "best and brightest": Product Design is the fastest growing program at the UO. This program, along with informal learning spaces and seminar classes, will promote intensive student-faculty interaction and will help the UO attract and retain Oregon's best and brightest students who place high value on one-on-one and small-group design studio level attention.

1 **Project Title:** Learning and Innovation Hub – School of Architecture and Allied Arts/Research Innovation Center

2 **Project Narrative:**

The *A&AA/RIGE Center* will enhance student recruitment, retention, graduation, and future success by providing an epicenter for massive design thinking, collaborative innovation, and social responsibility. The project is dedicated to developing world-class applied research in a robust center for visible investigation. As such, the project supports central elements of the Oregon's 40-40-20 goal and key UO metrics for student access and success, as well as first priority space and infrastructure needs as identified in the Space Needs Assessment Report (SAG, 2014).

The approximately 100,600-gsf *A&AA/RIGE Center* will provide: a) more than 50% of the university's needed classroom space at the intersection of the campus core and the community; b) a home for the Material Studies and Product Design Program, the fastest growing unit at the University of Oregon, with a current student body of 160 and an international reputation; c) a home for the Regional Accelerator and Innovation Network (RAIN); d) a home for the Tyler Invention Greenhouse – a hub for interdisciplinary work in green chemistry and product creation, forming a creative center with extraordinary impact that is rooted in science and research and complementary to A&AA; e) studio, laboratory and fabrication space for the hands-on disciplines of Arts, including digital arts, metalsmithing, sculpture, ceramics, and photography; and f) a significant number of faculty offices for the support of students. Moving existing units into this building will release underutilized spaces on and off campus and will alleviate the need to lease off-campus space. Key elements of the project are:

- Classroom and learning space strategically framing the south ring of campus core and community: The building's location will provide students easy access to modern classrooms ranging from 50 to 350 seats, all of the largest and most of the smaller controlled by the Registrar's office. Much additional space and specialized facilities will be provided for interactive small-group learning activities including research, fabrication, breakout discussions, and informal learning.
- A home for A&AA Product Design Programs: The fastest growing program on the university campus has never had dedicated classrooms, studios, or workshops on the university campus. The program currently is located primarily in a repurposed automobile showroom more than 0.6 miles from the campus core. The showroom has asbestos in the ceiling that prevents any remodeling of the space. The new facility will provide state-of-the-art facilities for designing and making by Material Studies and Product Design students in the campus core adjacent to Art Department and RIGE research spaces with similar goals.
- New facilities for Art Department: Most Art Department teaching studios are currently located in 100-year-old retrofitted spaces or 50+ year old "temporary" buildings that have been described in recent internal and external evaluations as "small and cramped." Many activities in these outdated facilities must occur on upper floors without elevators. These spaces will be released for more appropriate uses, and the art studios now in them will be relocated into modern, accessible, well-ventilated spaces adjacent to other creative disciplines with which the students and faculty will collaborate.
- A home for RAIN: The Regional Accelerator and Innovation Network (RAIN) is a state-funded collaborative project involving the University of Oregon, Oregon State University, the cities of Eugene and Corvallis, and the Eugene Chamber of Commerce. As the first public/private accelerator of its kind in Oregon, RAIN consists of two nodes - one facility in Eugene and another in Corvallis - each housing nascent companies, university-community designed acceleration programs, and one-stop shops to access talent and expertise housed within the university. RAIN would have its home in this facility. Through RIGE's shepherding of internal assets within UO and collaborating with governmental and business entities, RAIN will evolve to focus existing efforts into cohesive accelerator programs, increasing capacity to process more tech business ideas toward investment/customer revenue.
- A home for the Tyler Invention Greenhouse: Made possible by a generous donation from the Alice C. Tyler Perpetual Trust, the Tyler Invention Greenhouse will be the first of its kind anywhere in the nation. It will create a workshop environment in which academic researchers, students, and industry practitioners can collectively gather to brainstorm and build ideas in real time and swap solutions across disciplines ranging from chemistry to business to product design and communications. The Tyler Invention Greenhouse will be a defining collaborative space, an openly planned environment easily reconfigured through movable furniture, enhancing creative inquiry and teamwork through surfaces made for posting ideas, technologically enabled to encourage face-to-face and international engagement. Visitors to the greenhouse and other areas of this interactive building will be able to walk through it and observe intense creative engagement, much like an operating theater in reverse. Works in progress, prototype products, questions in need of answers, and the

conversations about all three will be fully accessible and on display to all who enter this cutting edge and highly productive workspace.

- Several spaces will be released for higher and/or better use: The project will release large spaces at the Romania Showroom, a repurposed auto dealership 0.6 miles from the campus core that is destined for much more dense development. It will release approximately 15,000 asf of Art Department space in “temporary” buildings across Franklin Blvd (a state highway) for more appropriate use and/or future development. It will relieve the university from paying to lease studio space for art studios 1.8 miles from the university.

This new AAA/RIGE academic-entrepreneurial hub and state-of-the-art teaching and learning facility enables clear student arrival to job placement in support of Oregon’s 40-40-20 goals. Within this building, students will be in “maker-spaces,” take classes and work closely with faculty in multiple arenas -from lecture halls with break out sections to small-group seminar and studio/lab settings. By building on a history of intensive student-faculty interaction emerging out of art, design, and highly ranked architecture pedagogies, we will establish an extremely visible facility centered upon attracting the best and brightest and inspired by an integrated model of learning from experiential to theoretical. Student success will directly emerge from a facility that enables learning that is connected to creative practice in industries that demand creativity. Portland has 800 sports products firms alone; this program is already linked to job placement – it requires world-class facilities to create the next generation of entrepreneurs and leaders in product development and creative direction. This facility is about producing learners, makers and entrepreneurs for the 21<sup>st</sup> century, students who can push boundaries of the disciplines developing questions whose answers could radically improve the way people live, learn, work, and play.

These students will use classroom, laboratory and outreach to solve the world’s messy problems together; the facility will house spectacularly transformative learning experiences leading students to develop processes for producing creative solutions to the most complex challenges. We are providing a deliberate mash-up of industry, academia, and the world beyond campus as a key to leading new learning paradigms.

### 3 **Detailed Project Description:**

The *A&AA/RIGE Center* will be a three-to-five story, approximately 100,600-gsf new building anchoring the south edge of the academic core of campus. The space will be roughly allocated as follows: general university classrooms (18%); RIGE programs (23%); A&AA Product Design (15%), A&AA Art (44%).

The new facility will provide: a) more than 50% of much needed classroom space in the campus core; b) a home for RIGE with its RAIN program and Tyler Invention

Greenhouse; c) a home for the 6-year-old and already internationally successful Product Design Program; d) new modern facilities for several Art Department disciplines currently located in inadequate facilities; e) approximately 16,000-asf of space on North campus released for other uses; and f) approximately 8,000-asf of off-campus space released for other purposes.

As currently envisioned, the *A&AA/RIGE Center* will include:

- Flexible, technologically nimble classrooms to serve class sizes from 50 to 350, increasing the number of classroom seats in the university by approximately 730 seats
- Review rooms for discussion of student and faculty projects in process
- A wide-range of collaboration spaces for team work at a range of scales
- State-of-the-art fabrication lab for Product Design
- State-of-the-art studios/laboratories for Art disciplines including Digital Arts
- Laboratory space for RAIN students and faculty
- Technology-enhanced collaboration space(s) for Invention Greenhouse
- New faculty offices to house RIGE and A&AA faculty, freeing faculty office space in the campus core.

The *AAA/RIGE Center* will support the following activities, programs and populations:

Activities supported:

- Teaching and Learning
  - Classrooms centrally located within the academic core that specifically address classroom sizes currently most needed, including one large lecture hall (350 seats), one small lecture hall (100 seats) and four flexible classrooms (50-100 seats)
  - Seminar rooms for small group classes to enable innovative pedagogies
  - Informal learning spaces/ team spaces/break-out spaces
  - Specialized teaching labs and small specialty classrooms
- Study and Collaboration
  - Open spaces for informal collaboration
  - Variety of specialized spaces for solo and group study, from nooks to team spaces
- Lectures and Events
  - Lectures and co-sponsored events for visiting scholars and speakers
  - Enrichment events for undergraduate special interests (e.g., undergraduate research opportunities, etc.)

Programs and Populations served:

- The entire campus will benefit from the creation of much-needed university-scheduled classroom space
- The entire campus will benefit from a venue that supports hands-on learning and visible fabrication
- RIGE will benefit from the creation of labs and workshops/studios for RAIN and the Tyler Invention Greenhouse

- A&AA Product Design Program will benefit from the creation of studios, fabrication laboratory, and classrooms for students, an administrative center, and faculty offices and studios.
- A&AA Art Department students will benefit from new studios and classrooms, and faculty will benefit from new offices.
- Art Department studios vacated in Lawrence Hall and on the North Site across Franklin Boulevard will provide considerable space for development at the discretion of the university.

4 **Clear and Urgent Life, Health and Safety Issues:**

Not applicable.

5 **Total Estimated Project Cost:** \$53,250,000.

6 **Funding Request:**

a. <u>Funding Source</u>	<u>Amount</u>	<u>% of Total</u>
G-Bonds	\$26,625,000.	50
Gifts and Grants	\$26,625,000.	50

b. For Article XI-G bonds, identify the amount and source of the constitutionally required 50% match.  
Philanthropy - \$27,000,000

c. For additional required project funding (beyond requested state funds and Article XI-G match), identify the amount and source of the funding.  
Not applicable.

d. Identify the revenue sources that will be used to pay campus-paid debt.  
Not applicable.

7 **Project Schedule:**

Start date: Summer 2015  
Completion date: Summer 2018

8 **Mark state and/or institutional goals addressed by project:**

40-40-20 goal

The *A&AA/RIGE Center* will enhance student 4-year college recruitment, retention, graduation, and future success by providing the only university-level facilities in the state to offer full-circle learning experiences. To be prepared for today's workforce as well as being ready for unpredictable futures, students need to have deep disciplinary

knowledge and crosscutting breadth to tackle challenges not yet known. Sophisticated and technologically-rich facilities, coupled with cutting edge teaching methodologies create for students the opportunity to develop new ideas – and then to see them through to application and product development under faculty mentorship. This set of circumstances is precisely what is needed to recruit, engage and retain students to meet the 40-40-20 goal (4 year degrees). Design and creative education is rooted in learning how to identify a problem, come up with multiple solutions, and ultimately create physical products that solve complex challenges. The methodologies use research, analysis, physical making, and presentation – a full spectrum of learning models. The multiple modes of investigation attract and keep a more diverse student body. They bring in people who think broadly and deeply, are good with their hands (embodied learning) – those that imagine solving global and local epic challenges.

Statewide economic development or workforce goal

The state has a goal to increase the number of high tech jobs – and the Regional Accelerator and Innovation Network housed in this facility is designed to do precisely that. The Accelerator will provide development space for small startups – including programs led by A&AA, business and law faculty to provide assistance with product design, marketing, business plan development and legal incorporation. Furthermore, the facility will be the hub for the network – connecting these businesses to angel investors and venture capital to propel success and create jobs in the state of Oregon.

The project will create 480 construction industry jobs.

Other statewide goals

Not applicable.

Institutional goal

*Space Needs Assessment Report*

The UO's *Space Needs Assessment Report* priorities that this project will address include the addition of new classroom seats, informal learning spaces and faculty offices located in the campus academic core. Technology-rich maker spaces included in the A&AA/RIGE Center are also included in the UO Space Needs report. The opportunity for our new classrooms to act as “Decision Theaters” where on-line and hybrid models of education bring experts from around the world to our students is intrinsic to our project. Our Oregon students will have access to global leaders through Skype-like technology-rich spaces.

### *Provosts Criteria*

In terms of the *Provost's criteria* (quoted in *italics* below), the *A&AA/RIGE Center* will *foster undergraduate student success*. Classrooms serving many colleges and departments majors under one roof will create a widely used, integrated student learning environment.

The integration of all these features will enhance the appeal of UO to a broader pool of potential recruits and their career-conscious families, thus *promoting diversity* within the UO's student body.

In terms of the Provost's criteria for academic excellence, the *A&AA/RIGE Center* will *encourage collaborative innovation to support students and teaching* through housing multiple, complementary activities in one setting. Additional offices, modern classrooms and multi-use seminar and meeting rooms will also enhance faculty recruitment, morale, and retention, thus *building faculty excellence*.

Finally, the project will *promote financial stability, efficiency and compliance* by achieving a minimum of LEED Gold certification and be at least 35% more efficient than the SEED standard code set in the 2010 Oregon Energy Code requirements. This project will comply with federal, state and university laws, regulations, and policies, including adherence to the policies. The new building will provide completely accessible spaces to programs now housed in partly accessible buildings. Also buildings vacated as a result of this project will be more easily renovated for deferred maintenance issues should funding for deferred maintenance become available.

### 9 **Impact of project on improving access and success for underrepresented, first generation, rural, and low income students:**

The facility will engage students especially through different ways of understanding and solving problems, thereby enhancing retention and increasing access. Data indicates that solving complex community issues as well as working through instructional models where experiential learning is central brings in and maintains diverse populations. The space and curricula address the immediate need to find meaningful and paid work, but also provides a powerful future career trajectory. Design and creative learning have become the centerpieces of company advances - an entire new class of leadership is being called upon to solve challenges through design thinking and production. Design Executive Officers (DEOs) and Chief Design Officers (CDOs) are now becoming significant recruits for major corporations.

Faculty excellence - Product Design and the creative practices in Art are up-and-coming programs; Material Studies and Product Design is already recognized as best in class.

These facilities will enable proper cutting edge space to facilitate the next step of development and achievement.

# DRAFT

## UO 2015-2017 Capital Construction Project Requests

Chapman Hall Renovation, Seismic Upgrade and Deferred Maintenance

### Project Summary Statement

The project will completely renovate Chapman Hall, home of the Clark Honors College. In this process, most of the building's systems including windows, heating and ventilating systems, electrical systems, and plumbing systems will be replaced. The need for seismic remediation will be addressed, as well as a complete remodel of the general university classrooms in the building. The work also will address access for disabled students and staff, safety, energy efficiency, and functional issues resulting in an efficient, safe, and welcoming structure for the University's highest achieving scholars. This project;

- **Supports academic excellence/retains Oregon's "Best and Brightest."** At the Robert D. Clark Honors College, academically motivated Oregon students obtain a liberal arts education, and the benefits of a large research university, without leaving the state. Founded in 1960, the Clark Honors College offers an outstanding liberal arts education, comparable to the top liberal arts colleges in the nation. Many of Oregon's best and brightest find their way to the CHC; residents comprise between 75% and 80% of the entering freshman classes the past two years.
- **Remedies critical deferred maintenance and accessibility issues.** The University of Oregon has an extremely urgent need to address critical deferred maintenance and seismic issues in Chapman Hall, the home of the Clark Honors College and one only 14 campus building ranked at the highest 'primary' level in a historic resource survey. The building's major systems have been essentially untouched since its construction, and, as a result, it is rated as in "poor condition" in a recent campus study.
- **Provides student access and choices.** The current educational capacity of Chapman Hall will be expanded significantly by this project.

1 **Project Title:** Chapman Hall Renovation, Seismic Upgrade and Deferred Maintenance

2 **Project Narrative:**

The University has an extremely urgent need to address critical deferred maintenance and seismic in Chapman Hall, the home of the Clark Honors College and one of the campus' highest ranking historic buildings. Founded in 1960, the UO's Robert D. Clark Honors College is the oldest honors college in the US. In response to the recent rise in enrollment, and the corresponding pressure on the Honors College to accept more of the State's best and brightest students, the University has emptied whole floors of the building to accommodate the College's space needs. This project will strengthen the Honors College's identity, will consolidate College functions in one location and present a scholarly image consistent with the Honors College's status at the University of Oregon. The complete renovation and reorganization of College spaces will integrate existing classrooms and faculty offices with student lounges, computer facilities, and study areas. As stewards of a State of Oregon architectural historic treasure and in response to the burgeoning needs of the outstanding Clark Honors College, the University has an urgent need to act as soon as possible.

This project will contribute to the University's capacity to attract and retain high achieving students from Oregon, thereby making a major contribution to Oregon's 40-40-20 Plan. In the past decade, the number of tuition paying students has grown significantly. The project will enable the Clark Honors College plans to continue growing the number of tuition paying students over the next ten years. Additionally, the project will allow the accomodation of a significant summer school programs within Chapman Hall.

The building is heavily used not only by the College's 670 students but also by the 360 students who use the general university classrooms on a daily basis.

3 **Detailed Project Description:**

The project will replace most of the building's systems including windows, heating and ventilating systems, electrical systems, and plumbing systems. The need for seismic remediation will be addressed, as well as a complete remodel of the general university classrooms in the building. The work also will address access for disabled students and staff, safety, energy efficiency, and functional issues resulting in an efficient, safe, and welcoming structure for the University's highest achieving scholars.

4 **Clear and Urgent Life, Health and Safety Issues:**

The building's major systems have been essentially untouched since its construction, and, as a result, it is rated as " in poor condition" in a recent campus survey, with 21% of its value in need of replacement or repair. In addition, the building's ground floor does not connect to its upper floors except by way of a rear fire stair. Many building users choose to exit the first floor and walk around to the front of the building to access the upper floors.

5 **Total Estimated Project Cost:** \$10,500,000.

6 **Funding Request:**

<u>Funding Source</u>	<u>Amount</u>	<u>% of Total</u>
G-Bonds	\$2,500,000.	24%
DM/Seismic Upgrade Dollars	\$5,500,000.	52%
Gifts and Grants	\$2,500,000.	24%

b. For Article XI-G bonds, identify the amount and source of the constitutionally-required 50% match.

Gifts, grants and other funds. To date, \$1.6 million of the required match has been raised.

c. For additional required project funding (beyond requested state funds and Article XI-G match), identify the amount and source of the funding.

Not applicable.

d. Identify the revenue sources that will be used to pay campus-paid debt.

Not Applicable.

7 **Project Schedule:**

Start date: Summer 2016

Completion date: Summer 2018

8 **Mark state and/or institutional goals addressed by project:**

40.40.20 goal

The State of Oregon has a comparatively high rate of exodus among high school graduates attending 4-year institutions. Past OUS surveys have shown that particularly when the higher education funding climate is volatile a greater percentage of the most academically gifted students choose to attend college out of state. This represents a huge loss of a critical intellectual and economic resource. Updated classrooms and facilities are crucial to recruiting top Oregon students to remain in the state. Top Oregon students who don't attend the Honors College go

out of state to: Brown University, Carleton College, Occidental College, Grinnell College, Scripps College, Stanford University, UC Berkeley, UCLA, University of Puget Sound, University of Washington, and Whitman College. The honors college student body is presently 74% Oregon residents, and the past two freshman classes have been 75% and 80% Oregon residents, respectively. Updating the building's aging facilities is fundamental to increasing the number of students in the honors college.

Statewide economic development or workforce goal

The mission of the Clark Honors College is to provide a top tier liberal arts education combined with the undergraduate research opportunities available at the greater UO. Currently, 10% of students in the Honors College have chosen Biology as an academic major, followed by Journalism Business, Human Physiology and Psychology. Many students subsequently pursue legal, medical and business professional degrees from Oregon institutions. The skills developed at the Honors College serve our alumni well in whatever career they choose.

The project will create 95 construction industry jobs.

Other statewide goals

Not applicable.

Institutional goal

Space Needs Assessment Report

- *Additional classroom seats, informal learning spaces, faculty offices.* The renovation of Chapman Hall will include additional faculty offices and informal learning spaces. The two classrooms currently used by the Honors College would be renovated, with the possible addition of a classroom once space on the third floor is reconfigured. The partial remodel of the first floor (privately financed) done in late 2012 established an informal learning space regularly used by Honors College students. Additional spaces would be created elsewhere on the first floor and on the third floor.
- *Deferred Maintenance.* The renovation will address urgent and critical deferred maintenance issues.

Provost's Criteria

- *Academic Excellence:* The Robert D. Clark Honors College offers an outstanding liberal arts education, directly comparable to the top liberal arts colleges in the nation. Academically motivated Oregon students can obtain a liberal arts education, and the benefits of a large research university, without leaving the state. Additionally, the College attracts 1,600 admissions applications for roughly 200 freshman spots (average GPA on entrance is 3.9; mean SAT scores are in the

93<sup>rd</sup> percentile). Students in the College benefit from small classes (19:1 student-faculty ratio), and the rich opportunities for undergraduate research afforded by the greater UO. Freshman-to-sophomore retention exceeds 95% for the Clark Honors College compared to 86% for the greater UO; sophomore-to-junior retention of CHC students is 88% vs. the greater UO at 78%.

- *Access and Student Choices:* The current educational capacity of Chapman Hall is limited to 670 tuition-paying students. The capital project would produce additional enrollment capacity of at least 8%, bringing the total number of tuition paying students to 725 (N.B. total enrollment is not equivalent to total tuition-paying students since students do not pay CHC tuition when they are on study abroad). With additional faculty, staff and infrastructure, and an endorsement of the administration and resident faculty, it is plausible that the College could significantly increase enrollment. The additional enrollment capacity afforded by this capital project would allow the Clark Honors College to offer 200 middle and high school students on-campus educational experiences for two different two-week sessions. The Chapman Hall capital project will also contribute to pre K – 20 student success initiatives by offering Oregon’s high achieving middle school students an opportunity to experience a challenging summer educational experience, and high achieving students a reason to stay in the state for higher education. With increased educational capacity afforded by the Chapman capital project, the College can host 400 high achieving middle school students during the summer and increase the number of students enrolling in the College by 8% in the short term, with the potential of greater numbers in the long term.
- *Financial Stability:* The Chapman Hall project will help anchor the Clark Honors College as a viable and sustainable site for the education of Oregon’s best and brightest students. With an optimum mix of federal and state funds, tuition dollars, and money raised by development officers, the College can remain a public good serving the state by providing outstanding students a home (the College charges 25% of what private liberal arts college charge for tuition). But for the Clark Honors College, many high achieving students would go out of state, and to private liberal arts colleges and universities. A recent survey of CHC graduates concluded that 85% said the existence of the Clark Honors College influenced their decision to attend the UO; 43% named the CHC as the deciding factor (source: *2013 CHC Graduation Questionnaire*). Four the UO’s five Marshall Scholarship winners have been CHC students. For the first time in 2011, a Mitchell Scholarship was awarded to a UO (and CHC) student. Every spring, at least half of UO’s Oregon Six (the very top students among all those invited to join Phi Beta Kappa) are CHC students.
- *Efficiency and Compliance:* By achieving a minimum of LEED Gold certification, the project will be at least 35% more efficient than the SEED standard code set in the 2010 Oregon Energy Code requirements. This project will comply with federal, state and university laws, regulations, and policies, including adherence to the policies

- *Promote Diversity:* The College has actively sought to diversify its student body through many programs, including: exchange programs with other universities, such as the National University of Singapore; targeted outreach programs within the state of Oregon (often coordinated by UO Admissions or the UO Office of Institutional Equity and Diversity); through the Pathway Oregon program (currently 38 CHC students are part of the Pathway Oregon program; and by providing scholarships that bring outstanding international students to the CHC.

9 **Impact of project on improving access and success for underrepresented, first generation, rural, and low-income students:**

As the Honors College student body grows, there will be more students from underrepresented populations, rural and low-income students. The fall 2013 Pathway Oregon cohort of Honors College students is over twice as large as the cohort from fall 2010. Retention and graduation rates of Honors College students are significantly higher than rates for the UO overall. The impact of this renovation project on underrepresented, rural and low-income students can be observed at the end of their first year in the honors college, as well as the typical measures of 4 and 6 year graduation rates.

# DRAFT

## UO 2015-2017 Capital Construction Project Requests

### Health and Safety Renovation of Klamath Hall for 21st Century Chemistry

#### Project Summary Statement

Personal success within a highly competitive and modernizing environment is an ever-increasing motivation drawing students considering a university education into the discipline of Science. The University of Oregon clearly demonstrates this with science enrollments soaring in recent years; furthermore, educating and retaining these highly trained individuals is critical to meeting the State's high-tech workforce needs. Sciences, therefore, are an essential area needing special attention if Oregon is to achieve its goal of 40 percent of Oregonians earning four-year degrees. Adequately supporting these goals at the UO, where undergraduate enrollment in chemistry alone has increased more than 30 percent in recent years, is increasingly handicapped by an urgent need to renovate Klamath Hall, a critical teaching and research hub within the UO science complex. Specific goals addressed by this project include:

- Deferred maintenance: The Chemistry & Biochemistry Department's nearly 50 year-old "wet lab" facilities (those requiring chemical hood ventilation) in Klamath Hall are near the end of their design life span, and require either replacement, or major systemic renovation. Highly complex, aged, HVAC and building utilities infrastructure are subject to vulnerabilities, which affect education and research continuity of operations, and severely limit flexibility in design for future and increasingly higher-tech operations. Additionally, the existing constant volume HVAC infrastructure results in a highly energy-inefficient building, using massive amounts of energy, approximately ten times more consumption per square foot than an average UO academic building.
- Health and Safety: An External Review Committee, as part of Chemistry & Biochemistry's Decennial Review in May 2012, expressed particular alarm regarding the condition of the "wet lab" space in Klamath, noting its need for urgent attention. Modernized facilities will greatly reduce the potential risks associated with accidents, fire, and student/employee exposure to hazardous chemicals. Renovation will also allow significantly increased accessibility for those with mobility impairments.
- Research excellence focus: Several chemistry faculty using the existing labs have large, active, well-funded federal research programs and are among the most productive within the department. Renovating these labs will allow these research teams to flourish and to build on existing strengths; recruiting, retaining, and enabling high caliber researchers and research.
- Research Faculty-Sciences growth: Substandard facilities impair our ability to attract the best and brightest tenure-track research faculty to the UO. To remain competitive for exceptionally promising tenure-related faculty we must offer superior facilities where excellence of support infrastructure is addressed methodically and systemically.
- Economic development: Chemistry is a leader in translating scientific discovery into useable products and in developing viable start-up businesses, which both promote economic development and keep well-trained talent in Oregon.

1 **Project Title:** Health and Safety Renovation of Klamath Hall for 21st Century Chemistry

2 **Project Narrative:**

The Department of Chemistry & Biochemistry is one of the fastest growing departments on the UO campus. Since the mid-2000s, undergraduate enrollments have increased by 30-40% and graduate numbers are up about 20%, and smaller increases in enrollment are anticipated. Chemistry anticipates four to five new “synthetic” faculty hires – those who require ‘wet labs’ with a high density of chemical fume hoods – to fill anticipated retirements and the growth/needs of the Natural Science division, as well as expansion into new areas and new initiatives (e.g., cluster hires in applied science areas like sustainable materials and energy). We need to take care of the top-notch faculty that we have now and plan for the future by replacing the antiquated and unsustainable 1960s-era facilities currently in use.

There is little doubt these facilities are far from meeting modern lab designs and safety standards (refer to Item #4). The recent Chemistry & Biochemistry’s Decennial Review emphasized the need for immediate attention. The inefficiencies and ineffectiveness of these labs has been confirmed by, in-house staff, architects working on related projects, and outside reviewers. Additionally, laboratory safety is drawing increased regulatory and liability scrutiny since the 2010 incident at UCLA.

(<http://cen.acs.org/articles/87/i31/Learning-UCLA.html>).

This proposal converts all of the lab space on the 3<sup>rd</sup> floor of Klamath Hall into state-of-the-art, synthetically-oriented, high-density hooded laboratories and concurrently builds/outfits a new 4<sup>th</sup> floor of Klamath Hall for faculty and student offices, two small conference rooms and a new 80-person classroom/seminar room to replace the loss of similar style space currently on the 3<sup>rd</sup> floor. The total amount of renovated space is ~17,000-sf and new space is ~6,000-7,000-gsf. Elevator access will be provided by a new bridge to the 4<sup>th</sup> floor of Onyx Bridge, which will connect to an existing elevator. While the renovated labs will be less densely occupied than the current ones, they will be state-of-the-art, functionally more efficient, safer, and more conducive for modern research practices and needs. The renovated labs will be modular in design, allowing more flexible and efficient assignment of bench space, and in turn will increase capacity and increase the efficiency of building use. Modular labs will make it easier to alter the research footprint of Principal Investigators (PIs) such that groups can grow and contract more easily as funding/resources change.

3 **Detailed Project Description:**

The 3<sup>rd</sup> floor of Klamath Hall is currently assigned to the Department of Chemistry & Biochemistry and houses the research groups (fully or in part) of six faculty members and space for one additional faculty member currently being recruiting. One additional smaller lab is assigned to a research-reduced faculty member. The CAMCOR NMR

Facility is also housed on this floor. All six research-active UO faculty are either full/associate members of the Materials Science Institute and/or the Institute of Molecular Biology. All six have large, active, federally-funded research programs comprised of postdoctoral associates, graduate and/or undergraduate students, and are among of the most productive researchers within the Department of Chemistry & Biochemistry.

Concurrent with the 3<sup>rd</sup> floor renovations will be construction of the new 4<sup>th</sup> floor Klamath offices/conference rooms/classroom (~ 6,000-7,000-sf) with a bridge to Onyx Bridge for ADA access.

#### 4 **Clear and Urgent Life, Health and Safety Issues:**

The Chemistry & Biochemistry Department's nearly 50 year-old "wet lab" facilities and infrastructure are approaching the end of their design life span and need replacement or major renovation. Major handicaps towards continued safe operations are found within Klamath Hall and within Onyx Bridge.

**Laboratory Safety.** Klamath Hall was constructed in 1966 using a 9-foot bay size instead of today's industry-standard 10.5-foot bay, and its design purposely incorporated student desk space buried into the interior of higher hazard workspaces (e.g. fume hoods); this basic design, while common at the time, has created many of today's concerns with laboratory safety. Aisles are 4-feet wide at their maximum, and reduce to as little as 38 inches where overhangs on fume hoods intrude. Students and staff use diverse hazardous materials within these confines, potentially working back to back, and it is physically impossible to accommodate major mobility impairments without radical and costly piecemeal redesign. The original design placement of fume hoods directly opposed to one another, and minimal attention during building design to low-level cumulative exposures from incorporating office-type function within synthetic wet laboratories, further augments these problems and risks. Similar functional and safety concerns exist within the capability of casework, utilities infrastructure, floor coverings, and other building materials (e.g. prevalence of asbestos within hoods and work surfaces) and components; all of which exhibit their age and level of design-for-safety knowledge that existed at the time of construction. Regular inspections by UO's Environmental Health and Safety Office have demonstrated that the safe use of many hoods require increasingly narrow operational constraints, including increasingly limiting administrative controls; this severely impacts the chemistry that users can perform, limiting experimental design and innovation, and requiring additional effort focused upon administrative control enforcement. UO Campus Operations continues to adjust the air-handling system to maximize its function, but at nearly 50 years of age, associated costs continue to rise as design life expectancies are met; costs that increasingly impact core educational and research functions, including compliance with regulatory and best practices affecting health, safety, and sustainability.

**Earthquake safety.** Although not as well-known as in California, the Pacific Northwest must be prepared for serious earthquakes. The UO is situated near the Cascadia Subduction Zone (CSZ), located about 100 miles off the Oregon coast. Geological records show that large earthquakes of magnitude 8 or higher occur in the CSZ on average about every 300 years, often accompanied by tsunamis. The last major rupture of the CSZ occurred in January 1700, resulting in a magnitude 9+ earthquake that produced a strong tsunami recorded on the coast of Japan. Recent findings from OSU researchers conclude that the section of the CSZ near Florence/Coos Bay, Oregon is more volatile than previously believed. They now predict a 35- 40% chance that the CSZ will rupture in the next 50 years and produce a magnitude 9 or higher quake. While Eugene is 60 miles inland at 400+ feet elevation, and thus would suffer no effects from a tsunami, a strong earthquake would wreak havoc, as we are not adequately prepared for such an event.

A recent UO study has shown that Klamath Hall is one of the more structurally sound buildings on campus. Nonetheless, most of the infrastructure deficiencies described on the previous page should raise alarm bells. Even a moderate quake could be disastrous because of non-structural hazards, as earthquake preparedness was not seriously considered when Klamath was built in the 1960s. Some equipment and chemical storage units are not “tied down” or restrained and thus would move and possibly topple. Further complications would result from built-in shelving lacking edge barriers for container restraint, and resultant impacts of to the building, to occupants, and to building effluent; it should be noted that even simple restraint retrofits quickly drive large costs due to concerns with asbestos-containing building materials.

**Fire safety.** In the 45 years since the completion of Klamath Hall, codes governing building fire protection have grown increasingly protective. Compliance with the fire and building codes in effect in the 1960's no longer ensures compliance with modern design constraints, or the existing state of knowledge within the life/safety fields. Klamath and Onyx Bridge received upgrades to full sprinkler protection, and modern alarm systems, in recent decades; however, the fire control area containment strategy does not exist as illustrated within current building code, and is infeasible to adequately address without taking a systemic high-cost approach. Furthermore, hazardous material type and quantity restrictions have become tied to fire control containment areas; this requires ever-increasing difficulties in ensuring both fire safety and business continuity of operations, and hampers the ability of scientists to innovate at the cutting edge of research. This project will give the UO the opportunity to create the maximum number of control areas allowed by code and allow the use of the types and quantities of chemicals needed to continue and expand synthetic chemistry research.

5 **Total Estimated Project Cost:** \$18,500,000.

6 **Funding Request:**

<u>Funding Source</u>	<u>Amount</u>	<u>% of Total</u>
G-Bonds	\$9,250,000.	50
Gifts and Grants	\$9,250,000.	50

b. For Article XI-G bonds, identify the amount and source of the constitutionally-required 50% match.

Gifts, grants and other funds.

c. For additional required project funding (beyond requested state funds and Article XI-G match), identify the amount and source of the funding.

Not applicable.

d. Identify the revenue sources that will be used to pay campus-paid debt.

Not applicable.

7 **Project Schedule:**

Start date: Summer 2016

Completion date: Summer 2019

8 **Mark state and/or institutional goals addressed by project:**

40.40.20 goal

This project addresses 40-40-20 by providing students experiential learning through research experiences with faculty mentors, learning valuable technical and science based procedures that are expected by employers in materials, semi-conductors, organics, and polymers. Furthermore, the addition involves new teaching lab space that would expand instructional capacity and address an unmet need.

Statewide economic development or workforce goal

Chemistry faculty at UO are some of the most active in creating economic development through the generation of new technologies that are licensed to other companies or are developed into spinout businesses by students who want to stay in Oregon in high-tech jobs. This space provides the proper environment to support the development of new materials and technologies that are the products and jobs of tomorrow.

The project will create 167 construction industry jobs.

Other statewide goals

Not applicable.

Institutional goal

*Institutional goals*

- 1) Safety- addresses urgent health and safety needs
- 2) Faculty Excellence – these labs are critical to recruit and retain chemistry faculty who work in areas that align with Oregon business
- 3) Enable Efficiency – allows for larger scale facility renovation that reduces startup costs by ending the inefficient and expensive practice of lab-by-lab renovation

*Space Needs Assessment Report*

This project correlates very well with the Space Needs Assessment Report, which lists as a university priority 7,500-sf of space identified as tenure-related faculty (TRF) wet labs with hoods for 5 TRF hires. Chemistry anticipates making these hires over the next five to six years based on faculty lines that are already unfilled, on anticipated retirements, and on new positions that will arise out of the Targets of Opportunity and Cluster Hiring Initiative in applied sciences areas. The proposed renovation of ~12,000-sf of wet labs and ~4,800-sf of dry labs and the construction of the new 4th floor office/conference/classrooms will not only take care of the critical safety needs (noted in Addendum #1) of the vibrant research groups of the faculty we currently have, but also will address the pressing need for top-notch laboratory research space to recruit and retain future hires both in the near term and for decades to come.

*Provost's Criteria*

This project correlates exceptionally well with nearly all of the Provost's stated criteria:

- *Support Research and Creative Activity.* As noted above, six of the Klamath 3<sup>rd</sup> floor faculty have large, active, well-funded research programs and are among of the most prolific publishers within the Department of Chemistry & Biochemistry, thus clearly illustrating academic success through highest quality research, scholarship and creative activity.
- *Build Faculty Excellence.* To continue our academic successes, it is essential to have top-notch "wet lab" research space. The proposed project would allow us to recruit and retain exceptionally promising tenure-related faculty and promote recognition of faculty accomplishments while building further our national and international reputation.
- *Invest in Focused Areas.* The proposed renovations will allow us to build further on existing strengths in supramolecular and materials chemistry. If we successfully hire a current candidate, then UO Chemistry will possess a strategic advantage over most schools on the West Coast in these areas.

- *Encourage Collaborative Innovation.* Chemistry, the Material Science Institute, and the Institute of Molecular Biology have a long history of high quality interdisciplinary programming and encourage cross-unit efforts to support students, teaching and research. Several of the Klamath PIs jointly supervise postdocs and graduate students, hold joint federally-funded grants, and publish together. SupraSensor Technologies, a UO start-up based on science from the Haley and Johnson groups, clearly illustrates this collaborative/ innovative spirit.
- *Promote Diversity.* The Chemistry faculty impacted by these renovations are the leaders in the Department with respect to gender and race issues, having helped established, maintain and encourage the Women in Graduate Sciences group and the local chapter of the National Organization of Black Chemists and Chemical Engineers.
- *Foster Undergraduate Student Success.* The Chemistry faculty impacted by these renovations are among the leaders in the Department both in classroom undergraduate instruction and for inclusion of undergraduates as part of their research programs (with approximately 15-20 total undergrads per year participating in research). Reflecting an impressive, long-standing statistic, i.e. by graduation, 65-80% of Chemistry & Biochemistry majors will have conducted at least one term of undergraduate research.
- *Support Graduate Education.* While Chemistry does an excellent job with the quality and diversity of incoming graduate cohorts, training graduate students in a modern laboratory setting is essential to instill a sense of “best practices” in a synthetic chemistry laboratory. This in turn will lead to improved graduate program performance and enhanced success of graduate degree recipients.
- *Promote Safety and Compliance.* Probably the #1 reason to carry out the needed renovations is to ensure the safety of the students in our research groups. As noted in Addendum #1, the myriad of current problems mandate that we take immediate action.
- *Seek Efficiencies & Ensure Financial Stability.* Again, as noted in Addendum #1, UO Facilities Services has done all it can do to maintain the antiquated facilities and infrastructure in Klamath Hall. Only a complete rebuild of the hooded ‘wet labs’ will ensure continued viability of this essential research space for the next 25-40 years. UO can no longer afford the expensive, yet band-aid, fixes of the past 20 years. The estimated energy savings over the next decade by the complete rebuild alone would cover approximately 15% of the estimated renovation costs.

9 **Impact of project on improving access and success for underrepresented, first generation, rural, and low income students:**

The Department of Chemistry at UO has a history of providing first-class undergraduate research experiences for students from underrepresented, first generation, rural, and low-income backgrounds. Our faculty actively participate in a number of programs designed

for and targeting such students (Ronald McNair Program, NSF Research Experiences for Undergraduates, UO Summer Program for Undergraduate Research). A majority of these UO undergraduates have gone on to earn advanced degrees and are now employed in academia and industry. The proposed renovations will allow us to continue to offer these opportunities further to the growing number of chemistry majors.

Impact will be measured and observed by the number of students graduated from underrepresented students who complete post-secondary degrees in Chemistry.

# DRAFT

## UO 2015-2017 Capital Construction Project Requests

Regional Library Collections Center and Knight Library Academic Commons

### Project Summary Statement

The Regional Library Collections Center (RLCC) will be a new building of ~28,000-gsf including a 14,000-square foot storage module equipped with 30-foot-high industrial shelving units to house 2 million volumes in ideal environmental conditions. The Knight Library Academic Commons will renovate of ~79,700-sf of existing space in the Library.

This project:

- **Meets the state's 40-40-20 goal.** This project presents a programmatic partnership between the Libraries and Undergraduate Studies in the service of student access, excellence, and success. Student access, excellence, and success are institutional goals of the University of Oregon that are as much part and parcel of 40-40-20 as they are essential to our national reputation and standing. This project meets the goals of 40-40-20 by focusing on enhanced advising, teaching and learning support and academic enrichment.
- **Improves student access and success.** Decades of research have demonstrated the disproportionately greater impact of enhanced advising, teaching and learning support and academic enrichment practices on underrepresented student populations. This project will increase UO's ability to serve URM's, first-generation, rural and low-income students significantly.
- **Uses existing facilities efficiently.** By creating a Regional Library Collections Center, this project would enable the renovation of upwards of 79,000-sf within Knight Library, approximately 40,000-sf of which will be dedicated to a mixture of classroom, workshop space, group study and "lab" space (e.g., for writing and math), private advising/tutoring office space, and open collaboration space.
- **Supports academic excellence.** The Academic Commons will encourage high quality student research. In addition, the Commons will be a collaborative effort by two units supporting students, teaching, and research.
- **Is cost-effective.** Storing collections offsite and renovating existing centralized space is a cost-effective and efficient solution to space management. This project would also make significant portions of Prince Lucien Campbell Hall and Oregon Hall (a total of 11,800 assignable sf of prime campus real estate) available for other uses. The Regional Library Collections Center would be available to other higher educational institutions in the region thus making greater use of this newly created resource.

1 **Project Title:** Regional Library Collections Center and Knight Library Academic Commons

2 **Project Narrative:**

The Regional Library Collections Center (RLCC) would be an off-site high-density storage facility that would allow the UO - and potentially other partners in the Pacific Northwest - to collectively manage their print resources. This model, originating at Harvard, applies commercial warehousing principles to solving both space and preservation challenges. Storing infrequently used material at a distance in high- density modules is extremely cost effective. Since its development in the mid-1980s, the Harvard Depository Model has proven to be highly successful and is now in use at more than 20 library storage facilities across the country.

Knight Library is the largest facility on campus, with nearly 300,000 square feet of usable space. Approximately 45% of the space is devoted to print collections, which make up 7% of the collection use. Storing infrequently used volumes and those that are available electronically (about 700,000) offsite would free up 40,000 assignable square feet of space in the Library to realize the vision of the Academic Commons, a high demand daily resource.

There is a growing demand on the UO campus for innovative learning centers that can enhance student success and contribute to higher retention and graduation rates. The UO Libraries and Undergraduate Studies have a shared vision to create the “Academic Commons” in the heart of the campus that will leverage the resources of the library (subject expertise, research content, technology, and space, etc.) with the resources in Undergraduate Studies (student advising, learning services, etc.) to provide a centrally-located, integrated center for academic enrichment that would serve the entire campus.

Knight Library is in the heart of the campus, serves nearly 10,000 students a day during the academic term, and is open 24-hours a day during the week. The library is at the core of the academic enterprise and is emblematic of the university’s investment in learning and research. Undergraduate Studies offers programs that enrich the academic life of undergraduate students in all majors and pre-professional programs and is dedicated to student achievement. The two enterprises have a strong history of collaboration that can be strengthened through proximity and visibility.

This project will also bring all the programs in Undergraduate Studies (currently in two buildings across campus) under one roof, and make 11,800 assignable sf. of space available for other uses.

3 **Detailed Project Description:**

The Regional Library Collections Center (RLCC) will be a new building of ~28,000-gsf

including a 14,000-sf storage module equipped with 30-foot-high industrial shelving units to house 2 million volumes in ideal environmental conditions. The Knight Library Academic Commons will renovate of ~79,700-sf of existing space in the Library. The table below describes the type and quantity of spaces to be renovated.

Programs and Populations served:

- Group and individual academic tutoring - both peer and professional
- Accommodation advising for students with disabilities
- Adaptive technology advising and support
- Supplemental instruction for high-risk courses (a form of group tutoring led by peers)
- Writing lab (individualized peer support geared to specific writing assignments)
- Math lab (individualized peer support geared to specific homework)
- Learning skills workshops and courses
- Research skills workshops and courses
- Mindfulness workshops and practice groups for students struggling with distraction, anxiety and ADHD
- Teaching Effectiveness (TEP) one-on-one consultancy for instructional faculty
- Teaching Effectiveness workshops and presentations for instructional faculty
- First Year Programs (FIG programs, first-year seminars, FIG Assistant training program)
- Undergraduate research (OUR Journal, Undergrad Symposium, advising, reference support, mentoring, etc., for research and distinguished fellowship opportunities)

**4 Clear and Urgent Life, Health and Safety Issues:**

None.

**5 Total Estimated Project Cost:** \$33,750,000.

**6 Funding Request:**

<u>Funding Source</u>	<u>Amount</u>
G-Bonds	\$16,875,000
Gifts and Grants	\$16,875,000

b. For Article XI-G bonds, identify the amount and source of the constitutionally-required 50% match.

Gifts, Grants, and other funds.

c. For additional required project funding (beyond requested state funds and Article XI-G match), identify the amount and source of the funding.

Not applicable.

d. Identify the revenue sources that will be used to pay campus-paid debt.

Not applicable.

7 **Project Schedule:**

Start date: Summer 2016

Completion date: Summer 2018

8 **Mark state and/or institutional goals addressed by project:**

40-40-20 goal

The project presents a programmatic partnership between the Libraries and Undergraduate Studies in the service of student access, excellence, and success. Student access, excellence and success are institutional goals of the University of Oregon that are as much part and parcel of 40-40-20 as they are essential to our national reputation and standing. This project meets the goals of 40-40-20 by focusing on enhanced practices in advising, teaching, and learning support and academic enrichment. These practices have decades of research demonstrating their efficacy for student retention and completion. The project presents a significant enhancement of our existing services in these areas by leveraging the resources of the Library (collections, subject specialists, technology, 24/7 access, space) with the resources of Undergraduate Studies (services directed toward student success, accommodation, and engagement).

Statewide economic development or workforce goal

The project will create 304 construction industry jobs.

Other statewide goals

Not applicable.

Institutional goal

*Space Needs Assessment Report*

The *Space Needs Assessment Report* indicates that an off-site storage facility is needed to free up space in the Library for a Learning Commons of 20,000 assignable square feet, a university priority. This proposal is supported by the report. By creating a Regional Library Collections Center, this project would enable the renovation of upwards of 79,000 assignable square feet within the Knight Library. Approximately 40,000 square feet would then be dedicated to a mixture of classroom, workshop space, group study and "lab" (e.g. for writing and math) space, private advising/tutoring office space, and open collaboration space. This project would also make significant portions of Prince Lucien Campbell Hall and Oregon Hall (a total of 11,800 assignable sf of prime campus real estate) available for other uses identified within the *Space Needs Assessment Report*.

### *Provost's Criteria*

The Knight Library Academic Commons portion of this proposal aligns with the Provost's three criteria of *Academic Excellence*, which call for supporting research and creative activity and encouraging collaborative innovation. The Academic Commons will encourage high quality student research. In addition, the Commons will be a collaborative effort by two units supporting students, teaching, and research.

This proposal aligns with the Provost's criterion of *Access and Student Success*, which calls for the fostering of undergraduate student success. The purpose of the Academic Commons is to enhance student success and contribute to improved retention and graduation rates.

This proposal aligns with the Provost's criterion of *Financial Stability, Efficiency, and Compliance*. Storing collections offsite and renovating existing centralized space is a cost-effective and efficient solution to space management. This project would also make significant portions of Prince Lucien Campbell Hall and Oregon Hall (a total of 11,800 assignable sf of prime campus real estate) available for other uses. The project will achieve a minimum of LEED Gold certification and be at least 35% more efficient than the SEED standard code set in the 2010 Oregon Energy Code requirements. This project will comply with federal, state and university laws, regulations and policies, including adherence to the policies of the Campus Plan. Space in buildings vacated as a result of this project will be more easily renovated to address deferred maintenance issues should funding for deferred maintenance become available.

### 9 **Impact of project on improving access and success for underrepresented, first generation, rural, and low income students:**

Decades of research have demonstrated the disproportionately greater impact of enhanced advising, teaching, and learning support and academic enrichment practices on underrepresented student populations. We are confident that this project will increase UO's ability to serve URM's, first-generation, rural and low-income students significantly. Undergraduate Studies has begun conversations with Student Affairs and Academic Affairs regarding the need to develop better assessment tools in order to capture the impact of enhanced learning services. Here PathwayOregon (a program administered through Undergraduate Studies, in collaboration with the Office of Enrollment Management) leads the way. PathwayOregon has shown remarkable success in moving the needle on student retention and completion rates, tracking this progress through a robust database and assessment program that accumulates student data and charts advances in the pertinent metrics.

# DRAFT

## UO 2015-2017 Capital Construction Project Requests

### Research Lab Building

#### **Project Summary Statement**

The project will create a new home for 30 researchers in labs that meet the highest standards of lab design outfitted with the most sophisticated lab equipment. This project:

- Provides a focus on excellence in research: Researchers specializing in areas of study identified through the 'targets of opportunity and cluster hiring' program can be housed in this building expanding on the university's acknowledged strengths and long tradition of interdisciplinary exploration.
- Creates opportunities for faculty-sciences growth: Substandard facilities impair our ability to attract the most desirable tenure-track research faculty to the UO. To remain competitive for exceptionally promising tenure-related faculty we must offer superior facilities.
- Advances economic development: Translating scientific discovery into useable products and in developing viable start-up businesses, which both promote economic development and keep well-trained talent in Oregon.

#### 1 **Project Title:** Research Lab Building

#### 2 **Project Narrative:**

The Research Lab building will house researchers and their labs in state-of-the-art space designed and significantly add very high quality researchers on campus expanding the capacity to make new discoveries in areas of study the university has become nationally recognized for. It will be will be connected to the Lokey Science Complex by way of an overhead pedestrian bridge allowing the continuation of the collaborative and cross disciplinary science the campus has become famous for.

#### 3 **Detailed Project Description:**

The four to five story building will mark the beginning of an envisioned expansion of science facilities on campus. The building will contain labs and support space for at least 30 new researchers housed in labs equipped with the most sophisticated equipment on the campus. At ~100,000 gsf it will be similar in size to the recently completed Lewis Integrative Science building.

#### 4 **Clear and Urgent Life, Health and Safety Issues:**

Not applicable.

5 **Total Estimated Project Cost:** \$90,750,000.

6 **Funding Request:**

<u>Funding Source</u>	<u>Amount</u>	<u>% of Total</u>
G-Bonds	\$43,375,000.	50
Gifts and Grants	\$43,375,000.	50

b. For Article XI-G bonds, identify the amount and source of the constitutionally-required 50% match.

Gifts, grants and other funds.

c. For additional required project funding (beyond requested state funds and Article XI-G match), identify the amount and source of the funding.

Not applicable.

d. Identify the revenue sources that will be used to pay campus-paid debt.

Not applicable.

7 **Project Schedule:**

Start date: Summer 2016

Completion date: Summer 2019

8 **Mark state and/or institutional goals addressed by project:**

40.40.20 goal

This project addresses 40.40.20 by providing students experiential learning through research experiences with faculty mentors, learning valuable technical and science based procedures that are expected by employers. Furthermore, the prominent location of the building allows the University to showcase its research efforts and serve as a visible example and a career inspiration for Oregon's emerging scholars.

Statewide economic development or workforce goal

This space provides the proper environment to support the development of new materials and technologies that are the products and jobs of tomorrow.

The project will create 817 construction industry jobs.

Other statewide goals

Not applicable.

Institutional goals

1) The project promotes *academic excellence* through supporting research and

creative activities, building faculty excellence, and investing in areas of focus.  
- these labs are critical to recruit and retain faculty in areas of existing strengths and strategic advantages.

2) The project promotes *access and student success* through providing opportunities for undergraduates in labs which in turn promotes retention of these students. The project will also support a significant cohort of graduates who will work in the labs pursuing research interests and advanced degrees.

3) The project will *promote financial stability, efficiency and compliance* by achieving a minimum of LEED Gold certification and be at least 35% more efficient than the SEED standard code set in the 2010 Oregon Energy Code requirements. This project will comply with federal, state and university laws, regulations and policies, including adherence to the policies of the Campus Plan.

9 **Impact of project on improving access and success for underrepresented, first generation, rural, and low income students:**