

**Board of Trustees of the University of Oregon
Resolution Appointing the 18th President of the University of Oregon**

Whereas, ORS 352.096(1) authorizes the Board of Trustees of the University of Oregon (“Board”) to appoint and employ a president of the university, which is one of the most important responsibilities of the Board,

Whereas, the next president of the University of Oregon will help guide the institution toward even greater access, excellence, experience and innovation;

Whereas, a robust search process engaged a broad cross-section of the UO community and resulted in the development of a strong, highly-qualified pool of candidates for the position;

Whereas, Michael H. Schill, J.D. (“Schill”), consistently demonstrated the necessary skills, experience, intellect, charisma and passion to become a clear choice for this position;


Now, therefore, the Board of Trustees of the University of Oregon hereby appoints Michael H. Schill as the 18th President of the University of Oregon, effective July 1, 2015, with all the authorities and responsibilities delegated to the position, and further approves the terms of Schill’s appointment and employment as outlined in the attached Exhibit A.

Moved: Joe Gonyea

Seconded: Mary Wilcox

Trustee	Yes	No
Ballmer	X	
Bragdon	X	
Chapa	X	
Colas	X	
Curry	X	
Ford	X	
Gary	X	
Gonyea	X	
Schlegel	X	
Kari	X	
Lillis	X	
Ralph	X	
Wilcox	X	
Willcox	X	

Dated this 14th day of April, 2015.

Recorded: 

PRESIDENTIAL EMPLOYMENT AGREEMENT
AND NOTICE OF APPOINTMENT

THIS AGREEMENT is entered into by the University of Oregon ("University") and Michael H. Schill ("Schill"), each of whom is a party to this agreement. The term "parties" hereafter refers to "University" and "Schill". Upon full execution by the parties, the Agreement will be effective on July 1, 2015.

1.0 Appointment of President; Term of Agreement

The term of Schill's employment as President of the University will commence July 1, 2015 and continue for five years until June 30, 2020 ("Term"), unless earlier terminated or extended as provided in this Agreement.

2.0 Academic Rank and Funding

2.1 While appointment as President is independent of academic rank, the Board acknowledges Schill shall be awarded indefinite tenure at University, upon completion and approval pursuant to current University rules, policies, and procedures. The review and approval process shall be completed prior to July 1, 2015. Upon the termination of employment as President at the Board's discretion, if awarded indefinite tenure, Schill may elect to remain a member of the University's faculty. If Schill remains a member of the University's faculty under such terms, his salary will be an annualized rate of \$450,000. Schill will be subject to the current Board and University rules and policies governing faculty employment, including award of indefinite tenure and other conditions of employment, including, but not limited to those conditions of employment which are customarily set forth in a letter of appointment.

2.2 Schill shall be provided an annual sum of \$25,000 for purposes of academic research support. This allotment shall not be used as remuneration to Schill. This allotment shall be managed and accounted for in accordance with all applicable federal, state and University laws, policies and regulations related thereto.

3.0 Duties and Responsibilities

As President, Schill is the executive and governing officer of the University and President of the faculty pursuant to Oregon Revised Statutes 352.004. Schill is supervised by and is responsible to the Board for all matters concerning the University and is an advisor to the Board in matters of inter-institutional policy and administration. Schill shall exercise all powers and duties delegated to the President by the Board's "Policy on Retention and Delegation of Authority," and shall also exercise all other powers and duties delegated by the Board to the President. Duties include, but are not limited to:

- (a) Development and implementation of the University's academic and institutional strategy and related plans;
- (b) Service as an ex officio member of the Board of Trustees as required by ORS 352.067(3), and service as a Board officer pursuant to Article VI of the Bylaws of the University of Oregon;
- (c) Reporting to the Board all significant matters within the President's Knowledge related to the University.

- (d) Institutional, faculty, and educational leadership, and the fostering of productive faculty and administration relationships;
- (e) Long-range planning, budget formulation, management of institution buildings, grounds and equipment controlled by University; administration of the affairs of the University as best serves the institution consistent with Board rules, policies, and directives;
- (f) Student recruitment and services;
- (g) Faculty recruitment;
- (h) Appointing, supervising, promoting, and dismissing employees;
- (i) Preparing rules, policies, regulations, and procedures useful to the University's welfare;
- (j) Fundraising, development, and public and alumni relations; and
- (k) Addressing and documenting compliance with Board-identified outcomes for each year.

4.0 Devote Best Efforts to the Work as President

4.1 Schill agrees to faithfully, industriously, and with maximum application of experience, ability and talent devote his full business-time, attention and energies to the duties as President of the University.

4.2 Such duties will be rendered at the University's campus in Eugene, Oregon and at such other place or places as the Board and Schill deem appropriate for the interest, needs, business or opportunity of the University.

4.3 The expenditure of reasonable amounts of time for personal or outside business, as well as charitable and professional development activities, will not be deemed a breach of this Agreement, provided such activities do not interfere with the services required to be rendered to the University and Board under this Agreement. Upon written approval by the Board, Schill may serve on boards for nonprofit and for-profit corporations or other entities, to the extent permitted by law, rule, and University policy. The Board will not consider any income in connection with any outside activities in setting compensation under this Agreement.

4.4 Other than activities or services permitted by the Board or other University policies, and under Section 4.3 of this Agreement, Schill will not render services of any professional nature to or for any person, firm, or entity for remuneration other than to the University, and will not engage in any activity that would cause a conflict of interest with his duties to the University. The making of passive or personal investments and the conduct of private business affairs is not prohibited by this section.

5.0 Salary and Benefits

5.1 For the period July 1, 2015 through June 30, 2020, Schill's monthly salary is \$55,000.00 based on an annual salary of \$660,000 at 1.0 FTE. The Board of Trustees may elect to increase Schill's base monthly salary during the term of this agreement.

5.2 If Schill remains President of the University for three years, he shall receive a retention bonus equivalent to at least five-percent (5%) of his cumulative salary during that three year period, payable at the end of the third year of this Agreement. If Schill remains President of the University for the full Term of this Agreement, he shall receive an additional retention bonus equivalent to at least ten-percent (10%) of his cumulative salary in the fourth and fifth years of service, payable at the end of the final year of this Agreement.

5.3 In lieu of a University-provided vehicle, Schill will receive a monthly vehicle stipend of \$1,200 funded by the University's Foundation. By accepting the monthly vehicle stipend, Schill agrees that she/he is not entitled to any vehicle-related expense reimbursement when University business or to a University-owned vehicle for the discharge of his duties as President. Subject to University rules, policies, and procedures, this section does not apply when Schill requires the use of a rental vehicle for out-of-state or air-related travel.

5.4 Unless otherwise provided for in this Agreement, Schill will receive the same benefits as other University employees, subject to applicable changes, currently including, but not limited to, medical, dental, disability, and life and retirement benefits, accrual of vacation and sick leave, and staff fee privileges.

5.5 If Schill is granted indefinite tenure by the University, he will accrue 2.0 months of sabbatical leave for each contract year of service she/he completes as President. For partial contract years of service, Schill will accrue sabbatical leave on a pro rata basis. All sabbatical leave will be forfeited in the event that Schill's appointment is terminated for cause. The sabbatical leave will start no later than thirty (30) days after the conclusion of Schill's service as President, payable at her/his base salary for the last month of service as President. This sabbatical leave is separately negotiated, in recognition of the Schill's inability to take a sabbatical leave during service as President, and is not subject to the University rules or policies governing sabbatical leaves. A sabbatical plan is not required, nor is the approval of any University official.

6.0 Official Residence

6.1 As a term and condition of employment for Schill and for the benefit and convenience of the University, the University will provide Schill an official residence in which he is required to reside during his service as President. The residence will be used by Schill to conduct University meetings and events on a regular and continuing basis. The residence is located in Eugene, Oregon at 2315 McMorran Street (the McMorran House).

6.2 Subject to the exceptions noted below, the University will maintain the official residence in good repair and pay for utilities, telephone service, cable and Internet access. The University will not be obligated to pay for any damage or expense caused by the willful misconduct or negligence of Schill, his family or personal guests (normal wear and tear excepted) for which the Schill is responsible. For purposes of this section, "personal guests" means those persons not invited to the residence as part of Schill's duties to host official and other University functions, whom Schill invites in an exclusively personal capacity. The

University will maintain the grounds of the official residence. University will keep the official residence insured for fire and extended coverage and will pay for liability insurance on the property.

6.3 With the exception of furnishing already in the official residence, the residence will be furnished with furniture and furnishings at the cost of Schill. The cost of any insurance on the Schill's personal furnishings and contents in the official residence will be borne by Schill.

6.4 Schill's family will be permitted to occupy the residence under the same terms and conditions for up to ninety (90) days following (i) X's death or (ii) X's permanent disability under the terms of this Agreement. Schill and his family will vacate the residence by no later than thirty (30) days following the termination of her/his employment as President for any reason other than death or permanent disability.

7.0 Moving, Travel, and Storage Expenses

The University will pay or reimburse Schill for his reasonable moving, travel, and storage expenses from her/his current personal residence to the McMorran House in Eugene, Oregon as outlined by University rules, policies and procedures governing moving, travel, and storage expenses.

8.0 Travel Expenses

Except as stated at Section 5.4 of this Agreement, University will reimburse Schill, and Schill's spouse for reasonable travel expenses, hotel bills, and other necessary and proper expenses, consistent with University's rules and policies governing travel reimbursements, when Schill is travelling on University business, except that payment will be made on behalf of the spouse only when the presence of the spouse is of benefit to the interests of the University.

9.0 Expense Receipts and Documentation

Schill agrees to maintain detailed accounting records, including original documentation of all expenses provided for in this Agreement in accordance with federal and state laws and regulations and University policies and procedures. Upon appointment, Schill may request the University's Office of Internal Audit to include a review of the President's expenditures in its audit plan for the purpose of providing stakeholders assurance that expenditures are allocated appropriately and reporting is accurate and complete. Notwithstanding the foregoing, nothing in this clause is intended to diminish the authority of the Office of Internal Audit to conduct other audits at the request of the Board, routine or otherwise, in accordance with its audit Charter.

10.0 Evaluation

Schill will be evaluated annually by the Board for performance pursuant to the Board's "Presidential Review & Evaluation Policy," which is incorporated into this Agreement by this reference.

11.0 Termination

11.1 The Board reserves the right to terminate Schill's employment for just cause. Just cause termination eliminates any obligation of the Board to pay Schill beyond the effective date of termination of employment as President. Any termination of this Agreement for just cause will not automatically

eliminate Schill's eligibility for continuation of an academic, tenure-related appointment or appointment to a fixed-term professional appointment; Schill would be given the opportunity for an independent tenure review process conducted in compliance with University policies and rules relating thereto to determine whether just cause exists to terminate his academic appointment. Just cause means conduct by Schill including, but not limited to the following:

- (i) A deliberate or serious violation of the material duties set forth in this Agreement or Schill's failure to perform such material duties in good faith;
- (ii) A violation by Schill of any of the other material terms or conditions of this Agreement which causes substantial harm to University and is not remedied after thirty (30) calendar days' written notice thereof to Schill;
- (iii) A plea of guilty or nolo contendere by Schill to a felony or any crime of moral turpitude;
- (iv) A prolonged or serious violation of any law, rule, regulation, Constitutional provision, University bylaw, policy or directive, or local, state, or federal law which causes substantial harm to the University and is not remedied after thirty (30) calendar days' written notice thereof to Schill, if curable; or
- (v) Prolonged absence from duty for a period of thirty (30) calendar days or longer without Board or University consent and which absence is not due to illness or disability.

11.2 The Board reserves the right to terminate Schill's employment and this Agreement prior to its expiration, without cause, upon thirty (30) calendar days' of prior written notice to Schill. In the event the Board terminates this Agreement and Schill's employment as President without cause, the University will pay Schill the current, annual base salary for one year from the effective date of the termination. This obligation will be paid on a monthly basis. If in the interest of the University, Schill may be reassigned to other duties until the effective date of the termination of this Agreement without cause. Schill will also be entitled to continue the health insurance plan at Schill's expense under current rules and regulations governing COBRA coverage from the effective date of termination, but will not be entitled to any other benefits except as otherwise provided or required by applicable law. Under no circumstance will the University be liable for the loss of any collateral business opportunities or any other benefits, perquisites or income from any sources that may ensue as a result of the University's termination of this Agreement without cause. The parties have bargained for and agreed to the foregoing provision, giving consideration to the fact that termination of this Agreement by the Board without cause prior to its expiration may cause loss to Schill which is extremely difficult to determine with certainty. The parties further agree that payments made based on the foregoing by the University and acceptance thereof by Schill will constitute adequate and reasonable compensation to Schill for any loss and injury suffered and are not intended to be a penalty. Any amounts payable to Schill under this section will be reduced by the amount of Schill earnings from other employment during the period which payments under this section are paid, if applicable.

11.3 This Agreement and Schill's appointment as President may be terminated by Schill's resignation, upon Schill providing the Board Chair with thirty (30) calendar days' advance written notice of such resignation. Upon the effective date of Schill's resignation, Schill will not be entitled to any further

compensation or benefits as president, except as set forth in the University's various benefit plans with respect to vesting and rights after termination of employment.

11.4 In the event of Schill's death during the term of this Agreement, his employment and this Agreement will immediately terminate on the date of his death. Schill's estate will receive all benefits to which it is entitled pursuant to the University's insurance plans in which Schill enrolled.

11.5 If Schill becomes permanently disabled during his employment as President, this Agreement and his employment will terminate effective on the date of her/his permanent disability and. Schill will receive all benefits to which he is entitled pursuant to the University's insurance plans in which Schill enrolled. For purposes of this Agreement, "permanent disability" will mean that in the opinion of a qualified medical professional jointly selected by the University and Schill (or in the event of Schill's incapacity, the person designated in her/his power of attorney or other duly authorized representative) that Schill is unable to perform the essential functions of the job for a period of six (6) continuous months, with reasonable accommodation (as such term is defined in 42 U.S.C. § 12111(9), as amended, and in the common law interpreting the same).

12.0 Severability

If any provision of this Agreement is determined to be void, invalid, unenforceable or illegal for any reason, it will be ineffective only to the extent of such prohibition and the validity and enforceability of all the remaining provisions will not be affected thereby.

13.0 Modification

This Agreement may not be modified or extended except by written instrument signed by Schill and authorized by the Board.

14.0 Entire Agreement

This Agreement contains the entire understanding of the parties, and there are no representations, warranties, covenants, or undertakings other than those expressly set forth herein.

15.0 Prior Agreements

This Agreement cancels and supersedes any and all prior agreements entered into between the parties.

16.0 Indemnification

To the extent permitted by Article XI, Section 7 of the Oregon Constitution, the provisions of the Oregon Tort Claims Act, and the University's Bylaws, the Board will indemnify Schill and hold him harmless against legal fees, expenses, judgments and other financial amounts incurred while serving in his capacity as President of the University. Schill will continue to be indemnified subsequent to the termination of his employment as President with respect to acts or omissions occurring while he served as President.

17.0 Waiver

No delay or failure to enforce any provisions of his Agreement will constitute a waiver or limitation of rights enforceable under this Agreement.

18.0 Governing Law; Forum

This Agreement will be interpreted and construed in accord with the laws of the State of Oregon, without regard to the principles of conflicts of laws. Any lawsuit or claim arising from this Agreement will be brought and conducted solely and exclusively within the Circuit Court of Lane County for the State of Oregon; provided, however, if a lawsuit or claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.

19.0 Counterparts

This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which will constitute but one of the same instrument. Signatures delivered by facsimile and by email will be deemed to be an original signature for all purposes, including for purposes of any applicable Rules of Evidence.

20.0 Applicable Laws and Regulations

All provisions of this Agreement subject are to the laws of the State of Oregon and, unless otherwise stated, the rules, policies, and internal management directives of the University.

IT IS SO AGREED:

DATED this ____ day of _____, 2015:

Michael H. Schill

Charles M. Lillis, Board Chair