

Attendance.

Marcia Aaron	Present	Elisa Hornecker	Present	Ginevra Ralph	Present
Peter Bragdon	Present	Ross Kari	Present	Michael Schill	Present
Andrew Colas	Present	Chuck Lillis	Present	Connie Seeley	Present
Allyn Ford	Present	Laura Lee McIntyre	Present	Mary Wilcox	Present
Joe Gonyea III	Present	Jimmy Murray	Present	Katharine Wishnia	Present

Convening and Approval of Minutes. The Board of Trustees of the University of Oregon (Board) met via video conference on December 3, 2020. A livestream and a teleconference option were made available to the public for purposes of listening in on the proceedings. The meeting was called to order by Chair Chuck Lillis at 8:35 a.m. A quorum was verified. The Board approved the minutes from the September 10, 2020, October 29, 2020, and November 13, 2020 meetings of the Board without amendment. Below is a summary of the meeting’s proceedings; a full audio recording is available upon request.

ASUO Report. ASUO President Isaiah Boyd provided an update to ASUO activities, including partnerships that the student government is building across campus and in the community. He noted the voter registration and get out the vote efforts ASUO participated in, various task force activities and other discussions where they were able to offer a student voice, and budgetary and programmatic priorities for this year’s ASUO team. Those priorities all centered on a theme of affordability and accessibility to services and products; they included, but were not limited to, textbook affordability, student advocacy services, food insecurity, and hygienic material accessibility. Boyd also provided a look at the winter initiatives being teed up for next quarter, including a student survey.

University Senate Report. Senate President Elliot Berkman updated trustees on University Senate activities thus far this academic year, with a particular focus on the senate’s work on equity and inclusion initiatives, such as the senate’s “Anti-Racism Academy” and work on an institutional data dashboard. Berkman also highlighted the senate’s work to engage with state law and policy makers, especially regarding state investment in higher education.

Provost’s Report. Provost Patrick Phillips provided an update on the initiatives being launched through his office, including the environment and innovation initiatives; the new dean hired for the College of Design, who begins in March; the status of other academic leadership positions on campus and the quality of candidates in various pools; work related to open access to information; higher education funding and positioning in the state; the leadership transition in the division of Undergraduate Education and Student Success; and planning for research and instructional activity for the remainder of this academic year and next year’s fall term.

COVID-19. Andre Le Duc, associate vice president and chief resilience officer, provided a brief update on the plan amendments that are presented to the Board this week (available in the meeting materials). He noted that there may be a few more adjustments necessary in the coming weeks based on evolving guidance from the county and state. Le Duc also provided a brief retrospective on fall term, including overall spread, infection rates, compliance with guidance, and other matters. He acknowledged the hard work of everyone on the Incident Management Team (IMT) for the impressive and successful work over

the last nine months, and the work that remains. Trustees engaged with Le Duc and other members of the IMT on topics relating to testing and reporting; coordination with Lane County Public Health; severity of cases in the UO's student community; winter term plans, including first-week instruction, move-in to residence halls after the winter break, and overall term instructional plans; and contact tracing tactics and efficacy.

University Finance & Treasury. Jamie Moffitt, vice president for finance and administration and CFO, began her presentation with a report on FY21 first quarter projections and information. She noted that the pandemic was having a very significant impact on both E&G fund and auxiliary finances. Moffitt reminded trustees that impacts to revenue due to a decline in first year, undergraduate students will have a multi-year impact. This year, COVID-19 related savings should help to keep the E&G fund deficit at approximately \$3.4 million, however, once the pandemic ends much of these savings (e.g., travel savings) are likely to disappear. Moffitt then provided the quarterly and annual treasury reports, noting that investments outperformed benchmarks and that total investment income dipped slightly from FY19 to FY20, and sharing information regarding debt service payment timelines. Moffitt then provided an update to the financial scenarios originally presented in September for the E&G fund as well as major auxiliary units. The update was based on new information obtained throughout the term, including enrollment and housing figures, adjustments to athletic operations, and current (yet evolving) guidance from various governing bodies and jurisdictions. Generally speaking, the projections were consistent with the range of scenarios presented to the Board in September. More detailed information on the scenarios, including comparisons to what was presented in September, can be found in the materials. Moffitt then discussed the FY21 expenditure authorization passed by the Board in June 2020 and provided updated information to the Board related to the institution's quarterly expenditure rate, savings initiatives, state appropriation and projected tuition revenue. No change to expenditure authorization was recommended at this time. The final portion of Moffitt's finance report this quarter was a review of updated long-term E&G fund financial scenarios. Detailed information is available in the supplemental items section of the meeting materials. Moffitt walked trustees through nine long term projection scenarios that varied in terms of assumptions regarding tuition increases, state appropriation, COVID-related cost savings, and fall 2021 enrollment. Each scenario included five years of projections that focused on annual E&G fund run rates, E&G fund balances, and resulting reserve levels in terms of weeks of operating expenses. Throughout the discussion, trustees engaged with Moffitt and other administrators regarding enrollment, including forecasts for the 2020-2021 academic year; the internal rate charged to units for borrowing capital; anticipated winter term melt (enrollment and housing); the assumptions built into the long-term models; speculation regarding future cost increases, and the university's work relating to long-term cost containment efforts.

The meeting recessed for a short break and resumed at 11:21 a.m.

Audit Reports. Kelly Wolf, associate vice president and controller, provided trustees with an overview of the audited financial statement report for FY20. He noted that the audit was clean, with no findings or concerns from external auditors. Wolf pointed out one extraordinary transaction on the books in FY20, which was a gift of capital property valued at \$257 million (Hayward Field rebuild), which in turn resulted in significant impacts to certain metrics and ratios (e.g., overall revenue increased from FY19 to FY20 by 24.9%, but without the Hayward Field gift that figure would have only been 0.6%). Wolf discussed some key components of the financial statement review, including overall revenue and sources of revenue, overall expenses and expenses by programmatic use, and overall net position and net position by category. Detailed information on key ratios is provided in the meeting materials, and Moffitt reminded

trustees that ratios should be reviewed with the understanding that the figures include certain restricted Foundation assets and that the ratios are also affected by the Hayward Field gift.

Scott Simpson, a partner with Moss Adams LLP, provided the external auditor's report to those charged with governance of the institution. He reiterated that the FY20 audit was a good, clean audit with an unmodified opinion. Simpson expressed his pleasure with how professional the finance and audit team at the UO was, particularly regarding the pivot to a remote work environment. He then provided summaries of the other reports provided by the external auditor. Those included: internal control over financial reporting and compliance (no findings), and compliance requirements with a direct and material effect on federal programs and awards (primary report not yet issued pending guidance from the federal government regarding higher education emergency relief funds; a report on audit of student financial aid systems showed no issues). Simpson then walked through the various items required for communication to the governing body, such as whether there were any corrected or uncorrected prior misstatements (none), any disagreements with management (none), any difficulties (none), or items of fraud discovered (none). He recapped some other general sentiments, including his routine communication with board and university leadership and his overall confidence in UO's processes. Simpson closed by noting three items of special recognition, including Moss Adams' sense that the UO financial aid office is "best in class" with regards to its management and controls, his confidence in Leah Ladley as the new chief internal auditor, and his confidence in Kelly Wolf as controller, and added thanks for the teams of individuals who helped with the annual audit process. Leah Ladley, UO's chief auditor, provided a brief overview of the quarterly internal audit report, details of which are in the meeting materials. She highlighted the work her team is doing to support the Corona Corps care team during this time, and noted that there are no outstanding issues she needs to report to the trustees.

Tuition-Setting Preview. Moffitt and Kevin Marbury, vice president for student life, co-chairs of the Tuition and Fee Advisory Board (TFAB), provided a look at the tuition-setting process that is underway and which will culminate with a recommendation to the president regarding tuition for the 2021-2022 academic year (AY21). Moffitt reminded trustees that the guaranteed tuition program adopted by the Board in early 2020 means that AY22 *undergraduate* tuition and administratively-controlled mandatory fee rates are already set for any returning students, so the TFAB process this year is focused on graduate tuition rates, undergraduate tuition and administratively-controlled mandatory fee rates for the new cohort of undergraduate students arriving during AY22, and various other fees which do not come to the Board for approval, such as housing or course fees. Marbury provided a recap of the tuition and fee setting process, including the UO's compliance with process points required by Oregon statute. Moffitt then provided some information on major anticipated cost increases for FY22, which factor into assessing what tuition and fee rates may need to be. In total, she noted \$10.6 million in anticipated increases, which is not exhaustive but covers the largest projected increases. Moffitt noted that the overall increases anticipated for FY22 are lower than FY20 and FY21, largely due to two things: (1) cost containment measures taken during the COVID-19 pandemic, such as the elimination of annual salary increases for faculty and unrepresented staff that would have otherwise taken effect in January 2021, and (2) the fact that PERS rates are not increasing in FY2022 as much as they increased in FY2020. Trustees engaged in discussion with Moffitt and Marbury regarding TFAB processes and meetings, the competitive landscape, student voices in the TFAB processes, historical tuition increase and market rates, and long-term strategies around online education or other remote delivery systems.

The meeting was recessed at 12:15 p.m.; it was reconvened at 8:31 a.m. on December 4.

Program Approval – BFA in Dance. Associate Professor Brad Garner, head of the department of Dance in the School of Music and Dance (SOMD), introduced a resolution before the Board to approve a new Bachelor of Fine Arts in Dance. Garner provided a brief history of dance instruction at the UO and then explained the goals of the BFA proposal. He noted that, if approved, this would be the first and only BFA in Dance in the State of Oregon, that there is already evidenced demand for this program, and that the program should result in increasingly diverse students and faculty at the UO. Garner also shared that other than one faculty line (to replace a retirement) there are no additional financial or space resources required. Trustees and Garner engaged in discussion on topics including adjustments made to instruction and performance during the pandemic, pipeline for professional development and post-grad transition, and trustees' interest in accessing performances remotely.

ACTION: The resolution to approve the BFA in Dance was moved by Trustee Bragdon and seconded by Trustee Wilcox. It passed by a vote of 13-0.

Capital Planning. Mike Harwood, associate vice president and university architect, introduced a resolution to authorize the renovation of the Zebrafish International Resource Center (ZIRC), a project primarily funded through NIH grant funding.

ACTION: The resolution to approve the ZIRC renovation project and associated expenditure authorization was moved by Trustee Kari and seconded by Trustee Gonyea. It passed by a vote of 13-0.

Harwood then provided the annual capital planning report, beginning with a detailed look at the project dashboard and the project escalation (costs over time) tracking document. He then discussed recently completed projects, including the Knight Campus's Phase I building, the Lyllye Reynolds-Parker Black Cultural Center, Tykeson Hall, renovations to the Klamath Hall 3rd floor labs, and Hayward Field. Next, he walked through the capital development plan, flagging an upcoming request of the Board regarding a deferred maintenance project in Huestis Hall which will be primarily funded with resources authorized by the State Legislature, and noting the currently-pending legislative request to make necessary updates to University Hall and Villard Hall, a project collectively referred to as the Heritage Project. Harwood then transitioned to the sustainability update in the annual report. He shared information about the 2019-2024 Climate Action Plan, noting which action items are in progress, completed or not yet started, and shared the sustainability dashboard, which is an interactive web-based tool to track performance across various metrics and to share information that can be used by the UO community. The dashboard is still in development but is proving already to be a useful tool. Harwood transitioned to a discussion about deferred maintenance. He reported on work done by external consultants this year to assess mission critical facilities and develop a database for long-term capital planning. Harwood noted that the database will allow the UO to better and continuously track, prioritize and manage deferred maintenance. Capital Planning and Facilities Management (CPFM) is now engaged in a detailed analysis of available information so that it can engage in a prioritization process to inform future capital plans; Harwood expects to have this information by next year's Board report. More detailed information on specific projects as well as the 10-year plan is available in the published meeting materials. Trustees engaged in discussion with Harwood and others about projects underway, including the new parking garage north of Franklin; deferred maintenance; benchmarks in higher education; progress made in organizing and working through key capital projects; linkages between the capital and academic plans; surplus property; seismic issues; CPFM engagement with students during design & construction projects; and contracting partnerships with historically underserved populations and ways to improve reporting of data related thereto.

Diversity, Equity and Inclusion. Yvette Alex-Assensoh, vice president for equity and inclusion, led a discussion with trustees regarding how the UO intends to define and measure efforts related to achieving greater inclusion, diversity and equity on campus. She introduced an accountability framework that looks at the primary metrics and schema underlying this work. Provost Phillips looked in more detail at the specific metrics that are associated with four pillars of the effort. Those pillars are diversity, achievement, inclusion and engagement, and transformational leadership. Exemplar metrics for each are noted in the meeting materials. Phillips noted that a dashboard is in development. He then discussed some examples of data that will inform our work in assessing success in overall institutional diversity, such as faculty of color as a percentage of all tenure-track or career faculty, or changes in the percentage of employees or students who report various racial or ethnic identification. Mark Schmelz, chief human resources officer, dove into the inclusion and engagement section of the framework. He talked about metrics used to assess work in this space and noted that the UO will engage in a climate survey in 2021 (delayed from 2020 due to COVID-19 disruptions). Schmelz noted that key next steps for this work relate to gathering and refreshing data to hone and refine metrics, sharing and educating the community to facilitate a common understanding of the data, and using the metrics to affirm promising practices, drive change, and improve performance. Additional examples of metrics that will ultimately inform the dashboard are available in the published packet. Trustees engaged in discussion with Alex-Assensoh, Phillips and Schmelz regarding retention of faculty and staff of color, the importance of the broader Eugene and Lane County community, engagement and inclusion, student connectivity, depth and specificity of data that will ultimately be provided to the Board, how graduate employees fit into the schema, and next steps.

Academic Area in Focus: Human Physiology. John Halliwill, professor and department head of Human Physiology (HPHY) provided an overview of the department's history, which dates back 100 years. He also showed the dramatic growth in HPHY majors since 2000; at that time, they represented 1.5% of UO majors, and now they represent 5.3%. It is the third largest undergraduate program at the institution. Halliwill talked about the myriad career goals undergraduate majors in HPHY have, including everything from medicine and physical therapy to teaching and dietitian services. Halliwill noted that more than 60% of HPHY majors are women, which is exceptionally high compared to norms for women in STEM majors. Halliwill then turned to describing some of the widely varied research conducted by faculty in the department. He noted that this research extends from the molecular level to health and performance applications, and that funding is largely through the National Institutes of Health (\$11M over a five year window), but that significant funding is also received from the Department of Defense and various other agencies, foundations or corporations. He highlighted the research of Ashley Walker in aging and vascular physiology, Andrew Lovering in cardiopulmonary and respiratory physiology, Christopher Minson in environmental physiology, and Mike Hahn and other faculty and researchers in biomechanics. Halliwill explained the new space (not yet completed) within the renovated Hayward Field complex, which he refers to as a lab where "science meets athletics." He also noted various collaborations HPHY engages in, including partnerships with PeaceHealth, Slocum Orthopedics, OHSU, and UO units such as the Knight Campus, Institute of Neuroscience, Sports Product Design, Sports Product Management, Price Science Commons, and Intercollegiate Athletics. Trustees engaged in discussion with Halliwill, Hahn, and Phillips regarding bioengineering, women in STEM (students and faculty), funding streams and non-governmental partnerships, biomechanical research, how to continue growth and leverage strengths, and possibilities for research related to the physiology of COVID-19 impacts (both direct but also indirect through changed practices and behaviors).

Adjournment. The meeting was adjourned at 10:45 a.m.