

Attendance.

Cy Abbott	Present	Connie Seeley	Present
Tim Boyle	Absent	Andy Storment, Chair	Present
Renée Evans Jackman	Present	Jenny Ulum	Present
David Mitrovčan Morgan	Present	Dennis Worden	Present
Lillian Moses	Present		

Convening. The Finance and Facilities Committee (FFC) of the Board of Trustees of the University of Oregon (Board) met at the Ford Alumni Center on June 1, 2026. Committee Chair Andy Storment called the meeting to order at 9:45 a.m. Pacific Time (all times noted going forward are Pacific Time). The Board secretary verified attendance and a quorum.

Quarterly Finance Report. Jamie Moffitt, Senior Vice President for Finance and Administration and CFO and Brian Fox, Associate Vice President for Budget, Financial Analysis, and Data Analytics, presented the Education and General (E&G) fund Quarter Three (Q3) finance report. Moffitt stated the university projects ending the fiscal year with an anticipated year-end gain of \$4.5 million, compared to a Quarter Two (Q2) projected year-end shortfall of \$0.5 million. Moffitt highlighted that while there was a significant increase in benefits costs this biennium, the university never received approval from the federal government to increase the benefits rates charged to departments, which had a significant impact on the personnel services expense forecast.

Storment indicated the committee needed to approve the minutes from the March 16, 2026, FFC meeting. A motion was made by Trustee Abbott and seconded by Trustee Mitrovčan Morgan to approve the minutes which passed unanimously.

Fox presented key takeaways from Q3, including that net tuition and fee forecasted revenue reduced \$3.0 million, indirect cost recovery revenue reduced \$2.0 million, and personnel services forecasted expenses reduced by \$7.5 million. Moffitt added that departments are being very careful with their budgets which is showing up in lower than projected personnel and supplies and services expenses. Trustees engaged in questions related to ongoing challenges with federal approval of benefits rates. Fox stated the various Q3 forecast changes result in a year-end projected E&G fund balance for FY 2026 of \$124.2 million, or 9.3 weeks of operating expenses.

Fox continued by highlighting major forecast changes during FY 2026. Fox noted year-over-year tuition and fee revenue is projected to drop from 2.7 percent growth to 1.1 percent growth. Trustee Aaron stated she is worried that the university's projected enrollment and carrying loads moving forward are not conservative enough given trends in higher education. Trustees engaged in questions including, but not limited to, student credit-hour carrying loads for first year students and utilities costs.

Quarterly Treasury Report. Jeff Schumacher, Director of Treasury Operations, presented the Q3 treasury report. Schumacher indicated major factors contributing to increased balances are increased realized and unrealized investment income, modestly higher E&G funds due to the timing of tuition and

fees received versus costs expended in academic year 2026, and offsetting decreases in plant funds. Schumacher added that although cash and investment balances continue to grow, days cash on hand has only modestly increased over the past four fiscal years. Trustees engaged in questions including, but not limited to, the impact of budget reductions on days cash on hand, factors that affect the university's credit rating, and how enrollment changes affect auxiliary units.

FY 2027 Operating and Capital Expenditure Budget Authority (Action). Jamie Moffitt, Senior Vice President for Finance and Administration and CFO and Brian Fox, Associate Vice President for Budget, Financial Analysis, and Data Analytics, presented the FY 2027 operating and capital expenditure authorization. Moffitt stated that in FY2027 E&G fund expenses are projected to be higher than E&G fund revenues by about \$23 million. Moffitt stated the Board is being asked to approve that expenditure authorization because the budget reductions needed to address the budget shortfall have not yet been developed, nor is the budget reduction implementation timeline known at this time. Moffitt added that university leaders anticipate bringing a revised expenditure authorization to the Board at a future meeting once actions to address the anticipated budget gap have been implemented.

Fox presented the financial details of the proposed operating and capital expenditure authorizations, including a projected operation expenditure budget for FY 2027 of \$1,553,500,000 and projected capital expenditure budget for FY 2027 of \$211,000,000. Fox indicated operating revenue for non-E&G funds are projected to cover expected operating expenditures. Trustees engaged in questions including, but not limited to, academic units using gift funds to keep E&G expenditures down and the Board's Executive, Audit, and Governance Committee having the authority to act on behalf of the Board.

Trustee Worden stated he believes it is important for the Board to add context to the expenditure authorization resolution before it is approved by the full Board making it clear the Board does not intend to authorize a full year of deficit spending because the Board expects the university to implement budget reductions during the year. Trustee Holwerda and Chair Stormont agreed with Worden's comments. Trustee Tykeson stated a time limit should be added to the budget authorization as well. Holwerda indicated this would be discussed later during the full Board meeting. Stormont added that the committee can advance the committee resolution, but this should be clarified in the full Board resolution.

ACTION: The resolution to advance the FY 2027 Operating and Capital Expenditure Authorizations (as described in the meeting materials) to the full Board for approval was moved by Trustee Worden and seconded by Trustee Ulum. It passed by a voice vote without dissent.

Meeting Adjourned at 10:52 a.m.