

NOTICE OF PUBLIC MEETING

The Board of Trustees of the University of Oregon will then hold a public meeting in the Giustina Ballroom of the Ford Alumni Center on the Eugene campus on June 6th, 2023. Topics of the meeting will include: standing reports; consideration of seconded motions from June 5th committee meetings; a report on university cybersecurity efforts; an update on state affairs; and board leadership elections.

The meeting will occur as follows:

Tuesday, June 6th, 9:00 a.m. Pacific Time
Ford Alumni Center, Giustina Ballroom

The meeting's agenda and materials are available at <https://trustees.uoregon.edu/upcoming-meetings>.

A livestream link will be available at: <https://trustees.uoregon.edu/meetings>. If telephone conference, sign language for the deaf or hard of hearing, or accessibility accommodations are required, contact trustees@uoregon.edu at least two business days in advance of the posted meeting time. Please specify the sign language preference if applicable.

Public Comment

To provide public comment during the meeting, or if you would like to provide remote public comment, please sign up by emailing trustees@uoregon.edu and include your name, affiliation with the university, and topic for discussion. Public comment guidelines are available [here](#).

Those wishing to provide comments in writing may do so via trustees@uoregon.edu. All written comments will be shared with members of the board, but to ensure comments are provided to trustees *in advance* of the meeting, they must be received by 5:00 p.m. Pacific Time on June 3rd, 2023.

BOARD OF TRUSTEES

6227 University of Oregon, Eugene OR 97403-1266 | (541) 346-3166 | trustees.uoregon.edu | trustees@uoregon.edu

Board of Trustees
Public Meeting | June 6, 2023 | 9:00 a.m.
Ford Alumni Center Ballroom | Eugene Campus

Convene

- Call to order, roll call
- Approval of Minutes

1. Public Comment and Standing Reports.

1.1 Public Comment (if requested):

- Officers of Administration Council
- Campus Labor Organizations
- Other Public Comment

1.2 Standing Reports

- 1.2.1 Associate Students of the University of Oregon.** Luda Isakharov, ASUO President; Chloe Webster, ASUO President-elect
- 1.2.2 University Senate.** President Dan Tichenor
- 1.2.3 President's Report.** Jamie Moffitt, Interim President

2. Resolutions (Action) Pending June 5th committee action.

- 2.1** Seconded Motion from FFC: FY23-24 Expenditure Authorization
- 2.2** Seconded Motion from FFC: Heritage Project Full Expenditure Authorization
- 2.3** Seconded Motion from FFC: Romania Property Lease Authorization
- 2.4** Seconded Motion from FFC: 1700 Millrace Drive Real Estate Authorization
- 2.5** Seconded Motion from FFC: Football Practice Facility Real Estate Authorization

- 3. Cybersecurity.** Abhijit Pandit, Vice President and Chief Information Officer; Jose Dominguez, Chief Information Security Officer.
- 4. Federal Affairs Update.** Betsy Boyd, Associate Vice President, Federal Affairs; Doug Toomey, Professor of Earth Sciences.
- 5. Board Leadership (Action).** Elisa Hornecker, Academic and Student Affairs Committee Chair.

Meeting Adjourned

Agenda Item #1

Public Comment and Standing Reports

**Public Comment
ASUO President*
University Senate Update*
President's Report**

***Provided written materials**



ASUO Board of Trustees Spring 2023 Report

Overview

Traditionally, the Spring term is solely a “transition time” for ASUO. However, this year the work continued until the last day of the 2022-23 administration. As the ASUO Executive 2022-23 administration’s term came to an end during the Spring, we shifted our focus outside of the university and to external advocacy on the state and federal levels. Additionally, Spring Term is known to be “event season,” in which ASUO was heavily involved while simultaneously supporting other student organizations. Finally, in the latter part of the term, new leaders were elected, and a larger portion of the focus shifted to onboarding and training new officers to ensure a smooth transition.

We are immensely proud of our work this year and are thrilled to hand off the work to the incoming administration.

Advocacy

ASUO is in a unique role to organize across the university and state to use student voices to advocate. Our priority this year was to work on rebuilding the Oregon Student Association and creating a statewide coalition of students to call for more funding for higher education.

- Oregon Legislative Session Highlights
 - Advocating for Student Basic Needs
 - Hunger-Free Campuses (HB3089): allows institutions to have more capacity to provide basic needs services.
 - Expanding Open Educational Resources (HB3121): budget increase to Open Oregon Educational Resources program.
 - Student Housing Taskforce (HB2263): would create a legislative task force to investigate the best ways to increase student housing availability, accessibility, and affordability.
 - Harm Reduction Package
 - Opioid Harm Reduction Package (HB 2395): package of bills to combat the opioid and fentanyl crises, including the easier distribution of harm reduction materials, decriminalization of fentanyl test strips, liability protections for Narcan, and increased Good Samaritan Law protections.

- Members of our administration have regularly consulted with Rep. Dexter on the bills and [testified in front of the Oregon House and Senate Healthcare Committees](#).
 - Building a Statewide Coalition
 - For the first time in many years, [student body presidents from all seven public universities gathered at the Oregon Capitol for a day of lobbying](#) and advocacy for public education funding, financial aid, and student needs.
 - Students had over 40 meetings across House and Senate offices.
 - The day ended in a rally with all student presidents, state representatives, and Oregon State Treasurer Tobias Read speaking.
 - In his speech, Treasurer Read urged students to get more involved in the legislative practice, suggesting to “tell them that the chief investment officer for the state said there’s no better investment for the future of Oregon than higher education.”
 - ASUO was largely responsible for creating this statewide coalition, and the continuation of this coalition will be essential going into the next long session.
- ASUO Trip to Washington DC
 - From April 16th through 19th, ASUO took a group of six student leaders to Washington, DC, to use our voices to advocate for higher education on a federal level.
 - The lobbying agenda includes protecting and expanding SNAP benefit eligibility for students, doubling the Pell Grant, and advocating for the Understanding the True Cost of College Act.
 - The group met with the Oregon delegation, toured the capitol and national monuments, and attended the UO Capitol Reception.
 - Students on the trip made strong connections in Washington DC and in the Capitol with UO Alumni and left the trip feeling more equipped to graduate and enter the career field of politics.

Student Life:

Student life comes alive during Spring Term, both on and off campus. It is the mission of ASUO to provide and support safe, accessible, and affordable events for students to attend on campus. Additionally, part of our mission is to use “event season” to celebrate different cultural groups on campus, and to share culture and diversity between students.

- ASUO Street Faire
 - From May 9th through May 11th, the ASUO Executive Branch held its bi-annual [Street Faire](#). Over three thousand students came through the Street Faire and

- enjoyed the sunny weather, old and new food vendors, and handmade craft vendors.
- The ASUO Street Faire was significantly expanded this year in several ways.
 - The Street Faire was turned into a themed week, similar to a festival, called “Downpour Week.” The week ended with the Downpour concert.
 - Over a dozen student organizations joined the Street Faire this Spring by tabling and doing various activities and giveaways.
 - The Downpour Street Faire included several performances by local multicultural groups and student organizations for students and community members to enjoy.
 - ASUO presents: [Downpour, ft. rapper Amine, and local student house bands Common Koi and Mommy](#) as openers.
 - The ASUO Downpour concert was a major success, being the first concert ASUO has hosted in over a decade.
 - Around 4,500 students attended the concert, as well as several hundred community members.
 - Opening bands were given the opportunity of a lifetime to perform in an arena, with their parents and families watching in the front row.
 - Students overwhelmingly expressed gratitude for this event.
 - Check out some photos [here](#) and [here](#)!
 - ASUO hosts the “[Programmies](#)”
 - This year, the ASUO Executive student organization team brought back the popular “Programmies” event, which hasn’t been done for over a decade, to recognize student organizations and their leaders for their work throughout the year.
 - This year ASUO recognized organizations in the following categories: Rookie of the Year, Teamwork Makes the Dreamwork, Social Media Gurus, DEI Focus, Community Spotlight, Trailblazer, Best Publication, Sustainability, Civic Engagement, and Director of the Year.
 - Every winner received a significant award for their organization, some of which include; merchandise for all members, a year-long Canva membership, and backstage passes to the ASUO concert.
 - Cultural Nights
 - Since the beginning of the term, several affinity groups have put on cultural events. These events are among the largest attended events on campus, and several of the events sold out. We are excited to showcase these incredible, ASUO-funded events with the UO Board of Trustees.
 - Some of the most attended events included:
 - [Utsav](#) by the South Asian Cultural Alliance
 - [Night Market](#) by the Taiwan Student Association
 - [Kū Kākou Lu’au](#) by Hui o Hawaii
 - [Outdoor Night Market](#) by the Asian and Pacific Student Association

- [Lantern of Dreams Culture Show](#) by the Vietnamese Student Association

Transition

- Elections
 - The annual ASUO election took place from April 11th to April 14th. This year, there were 37 candidates across ASUO from two different slates, Amplify UO and UO Student Power. There were 1,563 voters in the election, and Chloé Webster and Finn Jacobson were elected to be the new ASUO President and Vice President. Chloe and Finn's start date is May 25th, 2023 and former President Luda Isakharov worked with Webster to prepare for the position and all that it entails.
 - Get to know Chloe and Finn:
 - Chloé Webster is an incoming 3rd year honors college student from Memphis, Tennessee studying Planning, Public policy, and Management as well as Global Studies and French. With a passion for fostering community, she enters her new presidential role with the goal of pushing UO to reach its utmost potential in providing students with a well-rounded and positive college experience. Beyond being an ASUO Senator and member of EMU Board, she has spent the last year as a Student Ambassador for the university, sharing her love for UO with prospective families and visitors through campus tours. When not on campus—which is rare—you can find Chloé frequenting Vero Espresso House, running Pre's trail, or exploring the 5th Street Public Market downtown.
 - Finn Jacobson is an incoming second year student from Oak Grove, Oregon studying Linguistics and Global Studies with a minor in Chinese. In addition to being the ASUO Vice President-elect, he is a Chinese Flagship Student and a member of the UO Triathlon Team. He is an experienced mental health advocate and has aided in the development and implementation of various legislation focused on improving mental health resources in Oregon. Finn grew up speaking Swedish, Spanish, and English and loves learning languages. He's also an avid long-distance runner and holds deep passions for the great outdoors, classic literature, and good coffee.
- ASUO Executive 2022-23 Year in Review
 - This year's administration had an incredible year and we want to highlight the amazing work done by all of our secretaries that didn't always get captured in this quarterly report. After May 24th, [this link](#) will go live with our Year in Review Report. Thank you for supporting us this year and being part of our legacy!

Spring 2023 Board of Trustees Meeting: UO Senate Report

May 22, 2023

To: UO Board of Trustees
From: Daniel Tichenor, Philip H. Knight Chair of Social Science and 2022-23 President of the University Senate

The University Senate, its standing committees, and its task forces have completed a very productive year. Among our most important accomplishments are key innovations in the university's course approval process (a major, long-overdue revision), a new policy for reviewing non-UO credit professional programs, a stronger, more coherent policy for peer review of teaching, important findings on faculty service, and the approval of valuable new academic programs and requirements. This report provides an overview of each of these developments.

Before providing this overview, I also want to express my enthusiasm for two agreements that have emerged from constructive discussions between UO administration and Senate leaders during the Spring term. The first is a decision to allow graduation ceremonies in 2024 at the department, school, and college levels—a product of useful meetings between our leadership teams. The opportunity to collect data from participants at the 2024 commencement promises to offer helpful information for future ceremonies. The second agreement stems from a shared commitment to make search procedures for UO academic administrator positions, established in 2020, part of a routine checklist during future meetings between the University and Senate leadership. Both leadership teams have been inconsistent in attending to these search procedures during the past academic year. Making these search procedures part of a regular checklist for leadership meetings will keep them front and center for all of us going forward. Positive decisions like these were facilitated by regular consultations between University and Senate leaders, and by a strong spirit of collaboration. Although these conversations are not always easy, they reflect an important aspect of shared governance that can produce decisions that are constructive for the entire UO community.

Course Approval

The University of Oregon Senate commissioned a work group to redesign and modernize the process that approves new courses throughout the University. This is a process that, for years, has frustrated faculty throughout campus, and stifled innovation.

The work group carefully reviewed existing policies and found structural deficits that were stalling good proposals. The group also analyzed the work of key committees and evaluated which ones were being underutilized and, in some cases, overburdened to the point of burnout.

The Senate carefully reviewed the report and drafted legislation through a collaborative process that achieved buy in from faculty across campus. In the end, the new policies passed the Senate by a unanimous vote, along with clear implementation guidelines that will ensure that the rollout will be a success.

Program Review for Non-UO Credit Professional Program Review Processes

Early in the year, several members of the faculty identified concerns about the quality of non-credit programs being offered by UO's department of Continuing and Professional Education. A widely circulated news story in a national publication had raised questions about whether the high cost of these programs were worth it, and most relevant for the UO Senate, that it was unclear to many that these programs were not being taught using UO instructors.

The Senate tasked the Academic Council to look further into the matter, and develop recommendations to provide some sort of oversight. Alongside our partners from the UO Provost's Office and the Divisions of Student Services and Enrollment Management, the Senate was able to pass legislation to provide a review of these programs and ensure that they meet the standards that are acceptable for our institution.

Peer Review of Teaching

During this term, the UO Senate had a lively and ultimately productive review, discussion, and approval of new policy for Peer Review of Teaching. For some time, peer teaching reviews at the university have reflected an outmoded, decades-old policy that produced peer teaching feedback and assessments that varied widely in their quality and usefulness across units and departments. New policy was developed by the Continuous Improvement and Evaluation of Teaching Committee, and approved by the Senate after considerable commentary and refinement. The new Peer Review of Teaching policy aims to ensure that peer review is more robust, consistent, and reliable as a source of evidence about teaching.

New Programs

During this academic year, the Senate was proud to play its oversight role to approve key programs including the following:

- BA/BS in Child Behavioral Health, the key major in the Ballmer Institute for Children's Behavioral Health
- BA/BS in Environmental Design
- BA/BS in Popular Music
- BS in Cybersecurity
- Creation of UO credit bearing Micro credentials

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Agenda Item #2

Resolutions

The Board of Trustees has the responsibility of approving a budget expenditure authorization each fiscal year. The 2024 fiscal year (FY24) begins July 1, 2023 and runs through June 30, 2024. Following is a resolution proposed by Interim President Jamie Moffitt and Associate Vice President for Budget, Financial Analysis and Data Analytics Brian Fox for capital and operating expenditure limitations for FY24. Below is a summary of key points related to the proposal.

Overview:

- The University is requesting that the Board approve the following expenditure budgets for FY24:
 - Operating expenditure budget: \$1,345,300,000
 - Capital expenditure budget: \$228,600,000.
- FY24 operating expenditures in the E&G fund are expected to increase 6.3%. Total institutional FY24 operating expenditures are projected to increase 5.9%.
- Expected operating revenue for the institution is projected to cover expected operating expenditures.
- As has been the case in previous cycles, this analysis and authorization excludes plant funds, internal bank funds and depreciation.
- The proposed resolution would allow the university to expend or authorize the expenditure of funds at these levels plus three percent. Any additional expenditures would require the University to seek further expenditure limitation authorization from the Executive and Audit Committee.

Education & General:

Education & General expenses are projected to increase \$37.9 million (6.3%) on a year-over-year basis, while revenues are expected to increase by \$27.3 million (4.4%). FY24 revenues are projected to cover FY24 expenditures.

Revenue and projected FY24 fund balance could increase or decrease depending upon actual enrollment in the fall, as well as changes to other revenue and expense assumptions.

- In the E&G fund, major cost drivers, analyzed on a year-over-year basis for FY24 include:
 - Salary and OPE (benefits) up \$34.5 million (7.4%). This increase is due to labor/salary

increases (primarily based on collective bargaining agreements with university labor unions), as well as increased employee FTE counts as employee vacancies are filled and rehiring during FY23 is annualized.

- Supplies and services (S&S) up \$9.2 million (8.8%). This is based on activity levels returning to pre-pandemic levels, with costs adjusted for inflation. This includes significant increases to travel costs and re-normalization of supplies and service expenditures.
- Capitalized equipment is flat, while student aid is up \$400k (9.8%). Both projections reflect more regularized university operations post-pandemic.
- Net transfer expenditures are projected to decrease by \$6.2 million (-23.7%) at this time. In FY23 significant transfers were needed to cover unprecedented levels of construction cost inflation for academic building projects.
- In the E&G fund, major FY24 incremental revenue includes:
 - State appropriation up \$500k (0.6%). This estimate is based on the ending of one-time appropriations received during FY23 for a study within the College of Education totaling \$700K and the Public University Support Fund (PUSF) funded at the Co-Chairs' budget framework level. As the legislature has not yet completed its biennial budget process, this figure could change. State funds are generally distributed 49% in the first year and 51% in the second year.
 - Tuition and fee revenue up \$25 million (5.2%). This is due to tuition rate increases as well as projected growth of the undergraduate student population as larger incoming cohorts in recent years replace small graduating cohorts.

Other Funds:

Other Funds expenses are projected to increase \$36.7 million (5.5%) on a year-over-year basis, while revenues are expected to increase by \$20.9 million (3.0%). FY24 revenue is projected to cover FY24 expenditures.

Revenue is projected to drop in Sales and Services due to significant one-time Oregon22 cost reimbursements during FY23. Expenditures are expected to increase as staffing and activities continue to return to more regular operations.

- In the Other Funds, major FY24 incremental expenditures changes include:
 - Salary and OPE (benefits) OPE (benefits) up \$20.1 million (6.9%). This increase is due to increasing employee FTE from low levels in FY23 and labor/salary increases (primarily based on collective bargaining agreements with university labor unions).
 - Supplies and services (S&S) are projected to increase \$9.5 million (3.3%). This increase assumes the resumption of more normal campus activity, particularly in housing, merchandise for resale and utility increases. The percentage increase is not as high as it would otherwise be due to one-time expenses relating to Oregon22

occurring in FY23.

- Student aid is projected to be down \$1.3 million (-1.5%) due to lower activity on foundation funds. FY24 Student Aid is projected to drop due to a larger than normal FY23 distribution.
- Net transfer expenditures are projected to increase by \$8.8 million (-492.2%). This figure varies year-to-year, primarily based on construction projects.
- In the Other Funds, major FY24 incremental revenues changes include:
 - Gifts, grants and contracts revenue is projected to increase \$17.5 million (5.9%). This is due to University of Advancement ramping up their activity on Foundation funds, and overall Grants activity projected to continue to increase. This is due to both increased grants and gift activity.
 - Internal sales revenue is projected to increase \$4.8 million (6.8%). This is projected to increase mainly due to the addition of the Institution's Communications and Collaboration Technologies Service Center for Telecom operations.
 - Sales & services revenue is projected to decrease \$5.1 million (-2.2%). This is due to receiving significant one-time Oregon22 cost reimbursements (\$10M) and OHAZ Wildfire Camera funding (\$4.5M) in FY23.

Capital budget:

- Total FY24 capital expenditures are projected to be \$228.6 million. Please note that the figures on the report represent the expenditures expected during FY24, not the total budget for each project.

Board of Trustees of the University of Oregon

**Resolution: FY24 Budget and Expenditure
Authorizations**

WHEREAS, ORS 352.087(1)(a) provides that the Board of Trustees may acquire, receive, hold, keep, pledge, control, convey, manage, use, lend, expend and invest all moneys, appropriations, gifts, bequests, stock and revenue from any source;

WHEREAS, ORS 352.087(1)(i) provides that the Board of Trustees may, subject to limitations set forth in that section, spend all available moneys without appropriation or expenditure limitation approval from the Legislative Assembly;

WHEREAS, ORS 352.102(1) provides that the Board of Trustees may authorize, establish, collect, manage, use in any manner and expend all revenue derived from tuition and mandatory enrollment fees;

WHEREAS, 352.087(3) provides that the Board of Trustees may perform any other acts that in the judgment of the Board of Trustees are required, necessary or appropriate to accomplish the rights and responsibilities granted to the Board and the University by law;

WHEREAS, ORS 352.087(2) requires, and the Board of Trustees finds, that the budget of the University of Oregon be prepared in accordance with generally accepted accounting principles;

WHEREAS, the Finance and Facilities Committee has referred this matter to the full Board of Trustees as a seconded motion, recommending adoption;

NOW THEREFORE, the Board of Trustees of the University of Oregon adopts the following:

1. RESOLVED, an operating budget in the sum of \$1,345,300,000 is adopted for fiscal year 2024 (FY24). During FY24, the Treasurer of the University may expend or authorize the expenditure of this sum plus three percent, subject to applicable law. In the event that such expenditure authority is insufficient, the Treasurer may seek additional expenditure authority from the Executive, Audit, and Governance Committee of the Board of Trustees.
2. RESOLVED, a capital budget in the sum of \$228,600,000 is adopted for FY24. During FY24, the Treasurer of the University may expend or authorize the expenditure of this sum plus three percent, subject to applicable law. In the event that such expenditure authority is insufficient, the Treasurer may seek additional expenditure authority from the Executive, Audit, and Governance Committee of the Board of Trustees.
3. RESOLVED, the Treasurer may provide for the further delegation of the authority set forth in paragraphs 1 and 2.

VOTE RECORDED ON FOLLOWING PAGE

Moved: _____ Seconded: _____

Trustee	Vote	Trustee	Vote
Aaron		Lo	
Boyle		Madison	
Evans Jackman		Moses	
Fick		Seeley	
Holwerda		Ralph	
Hornecker		Ulum	
Kari		Worden	

Dated: _____ Recorded: _____

HERITAGE DEFERRED MAINTENANCE PROJECT (University and Villard Halls): Full Project Authorization June 2023

The Heritage Project is a large-scale deferred maintenance project involving both University and Villard Halls; the two founding and most historic buildings on the University of Oregon campus. The project will replace all mechanical, plumbing, and electrical systems, mitigate building code and life/safety deficiencies, seismically stabilize the buildings, and dramatically improve the teaching and learning experience for faculty and students. The state legislature approved the project in 2021 and allocated \$58.5M in bond funding towards the initiative. In order to secure this state funding, the university committed to a \$5.85 million match. To address further institutional needs, the project is also consolidating the Cinema Studies program from various locations on campus into Villard Hall to build synergies with the Theater Arts program. Due to both the scope change and significant inflationary construction cost pressures, the total anticipated budget is \$87.82M.

The University is requesting authorization to proceed with the full project (budgeted at \$87.82M) to complete the design and renovation of both University and Villard Halls. As you recall, in March 2023 the BOT previously approved \$10M of the \$87.82M budget towards continuing the design and funding the displacement projects associated with vacating the buildings in preparation for construction.

Status & Timeline: The project is currently in the Design Development phase with design completion in the Fall 2023. Both buildings will need to be full vacated as subsequent demolition is slated to occur in late summer/fall. Construction will start later in the Fall 2023 with completion projected to occur during the summer of 2025.

Costs & Sources of Funds: Full project authorization is being requested at this Board meeting for \$87.82M. The entire project is supported by state and university funds in the following manner: \$58.5M State Bond Funds, \$5.85 UO Match, \$18.47M UO Funds, and \$5.0M State Capital Improvement Funds. The FY2023 Q3 E&G Fund projections include the transfer of required UO funds to complete the project.

Board of Trustees of the University of Oregon

Resolution: Authorization for Certain Capital Expenditures (Heritage Deferred Maintenance Project – Full Project Authorization)

WHEREAS, the Heritage Project is a large-scale deferred maintenance project involving both University and Villard Halls; the two founding and most historic buildings on the University of Oregon campus;

WHEREAS, the project will replace all mechanical, plumbing, and electrical systems, mitigate building code and life/safety deficiencies, seismically stabilize the buildings, and dramatically improve the teaching and learning experience for faculty and students;

WHEREAS, state legislature approved the project in 2021 and allocated \$58.5 million in bond funding towards the initiative, which is currently projected to cost \$87.82 million;

WHEREAS, in March 2023 the Board approved expenditure authorization to complete the design for both buildings along with the construction of both temporary and permanent displacements that will support the main construction for University and Villard Halls in an amount not to exceed \$10 million;

WHEREAS, after extensive due diligence and making adjustments to project estimates due to scope changes and significant inflationary adjustments the university has arrived at a total project cost of \$87.82 million;

WHEREAS, the cost of the construction project would exceed \$5,000,000, a threshold requiring Board authorization;

WHEREAS, the Finance and Facilities Committee has referred this matter to the full Board of Trustees as a seconded motion, recommending adoption.

NOW, THEREFORE, the Board of Trustees of the University of Oregon hereby authorizes the President or their designee(s) to execute contracts and expend resources to complete to complete the Heritage project in an amount not to exceed \$87.82 million.

Moved: _____ Seconded: _____

Trustee	Vote	Trustee	Vote
Aaron		Lo	
Boyle		Madison	
Evans Jackman		Moses	
Fick		Seeley	
Holwerda		Ralph	
Hornecker		Ulum	
Kari		Worden	

Dated: _____ Recorded: _____

Resolution: Authorization for Certain Capital Expenditures (Heritage Deferred Maintenance Project – Full Project Authorization)

06 June 2023

Romania Property: Lease Agreement Authorization

The university is requesting authorization from the Board of Trustees for the President (or designee) to negotiate and execute a ground lease agreement, that is consistent with the terms outlined in the attached Term Sheet for the proposed development of the Romania lot. This non-binding term sheet has been prepared to establish a framework of terms for future negotiations. This term sheet's terms and conditions would also provide the developer with a project outline to present to potential equity investors and to secure debt financing.

The attached resolution includes the proposed non-binding term sheet (see Exhibit A to the resolution). A summary of the project and non-binding term sheet follows.

Project Overview

The university proposes to lease the Romania lot for a mixed-use commercial development to generate rent revenue for the university and to revitalize the area on Franklin Boulevard between I-5 and the University campus. The proposed development would provide a range of housing options for the community and be located on a four-acre lot south of Franklin Boulevard between Orchard and Walnut streets known as the former Lew Williams or Joe Romania car dealership or the Romania lot.

The plan for the project includes residential apartments, retail stores, and parking facilities. The project would be a "first class" mixed-use development geared toward high value services, spaces, and accommodations in a location closer to the campus than other comparable options. The project and the university's community, visitors, and guests would all benefit from an improved set of facilities, as well as housing units that are priced at different levels to accommodate a broader set of potential occupants.

In addition, development at this location would invigorate an area that has been identified by the US Treasury Department and the Eugene City Council as an Opportunity Zone that warrants new commercial investment. This project would improve the gateway corridor connecting I-5 to the university's campus.

Brief History of the Project

In the fall of 2017, the university began exploring options for private development to revitalize the Romania property and provide a new revenue stream to the institution. In a collaboration involving Campus Planning and Facilities Management, Purchasing and Contracting Services, Business Affairs, and the Office of the General Counsel, the university published a nationwide request for qualified

developers to submit proposals for a mixed-used commercial development. The university selected the developer who met the university's pre-established requirements for experience and financial stability to deliver a successful project.

Selected Developer

The university selected Project^, based in Portland, Oregon, and led by Tom Cody, as the developer for the project. Project^ has constructed numerous successful development projects throughout Oregon, including projects in Portland, Eugene, Bend, and Corvallis. Project^ is familiar with the market forces of the Eugene area with three previously completed projects close to campus, including two near the Romania property.

On June 4, 2020, the Board approved a non-binding term sheet between the university and Project^ related to this property. The original project concept, which included a hotel and commercial office space, was rendered infeasible due to COVID and the resultant shifts in work arrangements and the increased need for housing in the Eugene community. This revised proposal focuses on the housing and retail services that would benefit the university and the surrounding community.

Negotiated Terms

The following highlights key non-binding terms in the term sheet attached to the Board's resolution in the docket:

Lease Term: The initial lease term would be for 55 years starting on substantial completion of construction. The developer would have unilateral options to extend the initial term for up to two (2) periods of ten (10 years each (20 years total)).

Rent:

• **Inspection/Initial Period Rent.** Monthly rent of \$2,500 is forgiven for the first eight months while the developer secures permits and finishes any remaining inspection of the property ("the Entitlements"). This period cannot exceed twenty months. While the developer could terminate the lease before the expiration of the Inspection/Initial Period, it would forfeit a portion of the \$250,000 deposit if it elected to do so.

• **Construction Period Rent.** Monthly rent of \$5,000 while the developer constructs the project according to a pre-established schedule. If construction continues beyond the pre-established date of substantial completion, monthly rent would escalate to \$15,000 until substantial completion of the project.

• **Base Rent and Stabilization Period Rent.** Monthly rent of \$49,114 totaling \$589,368 annually. This annual amount is five and a half (5.5%) percent of appraised land value of \$10,715,760. Base Rent would

begin at a discounted rate and gradually increase over the first 18 months after substantial completion while the project's operations stabilize. After that period, the full monthly rent would begin.

•**Rent Increases.** The base rent would increase by two and a half (2.5%) percent annually beginning with the date of substantial completion of construction.

Construction Timeline: Construction is anticipated to last up to four years after the execution of a final ground lease with the developer.

Preservation of the Historic Structure: The developer would be required to preserve and incorporate the former Romania car dealership showroom into the project. The showroom is an example of so-called "googie" architecture that was popular in the late 1950s and early 1960s. The showroom is designated as a historic site by the City of Eugene and included in the National Register of Historic Places. The developer must comply with the City's regulations for preservation of historic sites.

University Approval Rights: The university would have the right to approve the following elements of the project to ensure the quality of the project: the project architect (subject to pre-approved architects included in the term sheet), the design of the project (including schematic design and the appropriateness of the developer's proposed use of modular construction), the general contractor (subject to pre-approved general contractors included in the term sheet), the construction schedule, any material alterations to the project's plan (including material changes to the original site plan, building exterior, building structure, building mix, or project scope), , any future purchaser of the project (subject to the rights of the developer's proposed equity investor), and the identity of any commercial tenant in ground floor retail space.

Right of First Offer to Purchase: The university and developer would each possess the right of first offer to purchase (the University for the improvements to the land and the developer for the land). Offers will be based upon fair market value, as established by a licensed appraiser.

Referral Arrangement: The university would, pursuant to a written agreement, refer potential residential tenants to the apartments.

Prohibited Uses and Additional Clauses. The university and developer agree to address, among other language in the ground lease, prohibited uses for the project, indemnity, insurance, and the use of the university's intellectual property and marks.

Board of Trustees of the University of Oregon

Resolution: Approval to Negotiate and Execute Ground Lease (Romania Property)

WHEREAS, the University of Oregon (“University”) wishes to lease a four-acre lot south of Franklin Boulevard between Orchard and Walnut streets, commonly referred to as the Romania lot (“Romania Property”), to a third party for purposes of mixed-use development;

WHEREAS, development of the Romania Property would enhance the institution and the community through the provision of additional parking, housing, and retail and service providers to community members and visitors;

WHEREAS, leasing the property to a third party for such development is the most prudent course of action when factoring in planning, longevity, ongoing management, finances, and the ability for the institution to realize a new revenue stream;

WHEREAS, in June 2020, after the University had explored options for private development of the Romania property since 2017 and, after a competitive national process, established an intent to establish a lease agreement with Project^, a Portland based company, as a partner in this endeavor;

WHEREAS, the original project concept outlined in the Board-approved non-binding term sheet, which included a hotel and commercial office space, was rendered infeasible due to COVID and the resultant shifts in work arrangements and the increased need for housing in the Eugene community, necessitating the establishment of new terms for the lease agreement.

WHEREAS, the University and Project^ have established updated key terms relative to this partnership (attached hereto as Exhibit A) which would be favorable to the institution and wish to move forward toward a formal lease agreement;

WHEREAS, controlling public contracting laws and prevailing wage rules would apply to the project where appropriate;

WHEREAS, Board of Trustees’ approval is required for the execution of instruments where the anticipated cost or value to the university exceeds \$5 million in total cost;

WHEREAS, the Finance and Facilities Committee has referred this matter to the full Board of Trustees as a seconded motion, recommending adoption;

NOW, THEREFORE, the Board of Trustees of the University of Oregon hereby authorizes the President or their designee(s) to negotiate and execute a ground lease with Project^ for purposes of third party development and management of the university property known as the Romania Property, with terms for such an agreement substantially similar to those articulated in the summary and exhibits associated with this resolution. Further, the Board authorizes the president, the senior vice president for finance and administration, and their designee(s) to take actions necessary to execute the authorization within this resolution.

Moved: _____ Seconded: _____

Trustee	Vote	Trustee	Vote
Aaron		Lo	
Boyle		Madison	
Evans Jackman		Moses	
Fick		Seeley	
Holwerda		Ralph	
Hornecker		Ulum	
Kari		Worden	

Dated: _____ Recorded: _____

NONBINDING GROUND LEASE TERM SHEET

**University Village
Eugene, Oregon**

May [___], 2023

The following is a nonbinding summary of the basic terms of the proposed ground lease (the “**Lease**”) for the University Village project land. Neither Party is bound to enter this proposed transaction unless a formal, comprehensive Lease is authorized, executed, and delivered by both Parties. Authorization includes, but is not limited to, any action or approvals required by the University of Oregon Board of Trustees. Landlord and Tenant may individually be referred to herein as a “Party” and collectively as the “Parties.”

1. **Landlord.** University of Oregon (or “**University**”).
2. **Tenant.** University Village LLC, an Oregon limited liability company (“**Tenant**”).
3. **Land.** Approximately 4.13 acres of land and certain improvements thereon (including the historic car dealership showroom that will remain as a part of the Project, defined hereafter) located at 2020 Franklin Boulevard, Eugene, Oregon 97403 (the “**Land**”).
4. **Project.** A mixed-use project comprised of multi-family residential, ground floor retail and parking to be constructed by Tenant (the “**Project**”) in accordance with the Lease. The Land and Project are sometimes referred herein as the “**Property**.” The Project excludes subtenant improvements.
5. **Use.** Tenant may use the Property for any lawful purpose consistent with the operations of the Project as a first-class mixed-use project, excluding specified prohibited uses (e.g., adult entertainment or cannabis operations). The enumerated prohibited uses in this term sheet are illustrative and the Lease may include additional prohibited uses as negotiated by the Parties.
6. **Lease Term.** Commencing on the date of mutual execution of the Lease (the “**Effective Date**”) and ending on the date that is fifty-five (55) years after the date of substantial completion of the Project, as may be extended or renewed (the “**Term**”). The definition of substantial completion will be included in the Lease.
7. **Options to Renew.** Tenant may extend the Term for up to two (2) periods of ten (10) years each (i.e., 20 years total) by giving Landlord not less than twelve (12) months prior notices of such extension on all the same terms as set forth in the Lease (including Base Rent). Renewal options may be exercised by Tenant at any time.
8. **Inspection/Initial Period.** Tenant will have a period of twenty (20) full calendar months after the Effective Date, or, if earlier, until the date construction of the Project commences (the “**Initial Period**”) to satisfy itself regarding all aspects and conditions of the Land and to obtain all approvals, permits, consents and rights deemed necessary or desirable by Tenant to develop,

construct and operate the Project (the “**Entitlements**”). For purposes of the preceding sentence, “construction” does not include environmental remediation, including but not limited to removal of underground storage tanks. During the Initial Period, Tenant may conduct such investigations and inspections and pursue such Entitlements as the Tenant deems necessary or desirable for the Project. Landlord will cooperate reasonably with such efforts (without out-of-pocket costs to the Landlord). If Tenant, in its sole discretion, determines the Land is not suitable or the Project is not feasible, or Tenant does not receive the Entitlements, Tenant, at its options, may terminate the Lease by giving written notice thereof to Landlord at any time prior to the expiration of the Initial Period and receive a refund of the security deposit referenced in Section 15 below, less the Breakup Fee (defined in Section 16 below). Upon such termination, Tenant will provide Landlord with copies of all final reports ordered by the Tenant, including but not limited to surveys, environmental studies, and geotechnical reports, and copies of all final applications and approvals for land use issues and permits received by the Tenant.

9. **Initial Period Rent.** During the Initial Period, Tenant shall pay the following sums for the indicated period (“**Initial Period Rent**”): (i) zero dollars (\$0.00) per month for the period from the Effective Date until the date that is 240 days after the Effective Date, and (ii) \$2,500 per month for the period commencing on the 240th day after the Effective Date until the end of the Initial Period. All sums payable under the Lease will be prorated for any partial month. If any payment due by Tenant under the Lease is not postmarked or received by the tenth (10th) day after such payment is due, Landlord will assess, and Tenant will pay, a late fee of five percent (5%) of the past due sum.
10. **Construction Period Rent.** From the end of the Initial Period until the day before the outside completion date as determined by the construction schedule to be included in the Lease, subject to extensions as described below with respect to the construction schedule (the “**Construction Period**”), Tenant will pay \$5,000 per month, payable on the first day of each month during the Construction Period (the “**Construction Period Rent**”). If the Project has not reached substantial completion by the outside completion date subject to the extensions described below, in addition to any other Landlord remedies, the Construction Period Rent will increase to and remain \$15,000 per month until substantial completion.
11. **Stabilization Rent.** Tenant will pay reduced Base Rent during a stabilization period of 18 months beginning on the date of substantial completion (“**Project Stabilization Period**”) as follows: (i) Tenant will pay monthly rent, payable on the first day of the month, equal to one-quarter of monthly Base Rent for months one through six ; (ii) Tenant will pay monthly rent, payable on the first day of the month, equal to one-half of monthly Base Rent for months seven through 12; and (iii) Tenant will pay monthly rent, payable on the first day of the month, equal to three-quarters of monthly Base Rent for months 12 through 18. Rent during the Project Stabilization Period is “**Stabilization Rent.**”
12. **Base Rent.** Commencing on the day after the end of the Project Stabilization Period (“**Base Rent Commencement Date**”), Tenant will pay annual base rent (“**Base Rent**”) of \$589,368.00. Base Rent will be payable in equal monthly installments of \$49,114.00 per month payable on the first day of the month. The Base Rent will be allocated among the Project buildings to be set forth in the Lease. Base Rent is subject to the following adjustments:

Adjustments to Base Rent. Base Rent will increase by two and one-half percent (2.5%) on the first anniversary of the Base Rent Commencement Date and on each such annual anniversary thereafter during the Term.

13. **Construction Rights.** Tenant may design, construct, and alter the Project from time to time during the Term without Landlord's approval, subject only to the University Approval Rights described below. Landlord will reasonably cooperate (without incurring out-of-pocket costs) with Tenant's efforts to obtain the Entitlements for the Project, including but not limited to signing easements, dedications, permit applications, and other documents and possibly meeting with governmental authorities. Tenant may demolish all existing improvements upon receipt of all Entitlements, so long as the demolition is contemplated in the Schematic Design Package for Initial Tenant Improvements (excluding the historic former car dealership showroom which will remain and be improved in accordance with historic preservation requirements as part of the Project). To the extent required by applicable law, the construction of the Project will comply with Oregon's prevailing wage rates for public works.
14. **Landlord's Approval Rights.** During Landlord's ownership of the Land, Landlord will have the following consent or approval rights ("**Landlord's Approval Rights**"):
 - a. The Project Architect, provided that ZGF Architects, El Dorado Architects, Group Mackenzie, Inc., and GBD Architects are each pre-approved by Landlord.
 - b. The Project General Contractor/Construction Manager, provided that Crutcher Lewis, Walsh Construction Co., Hoffman Construction Company, and Modomi Manufacturing, LLC, are each pre-approved by Landlord.
 - c. The schematic, design, and construction drawings for the Project, and material changes thereto.
 - d. The Project's initial construction schedule mutually approved by the Landlord and Tenant and material changes to the construction schedule. The Parties will define material changes in the Lease.
 - e. Alterations to the Project that materially change the original site plan, building exterior, or building structure. The Parties will define material change in the Lease.
 - f. Assignee of Tenant's interests in the Property subject to Section 20 of this term sheet.

All Landlord consent or approval rights will, to the maximum extent possible, be subject to reasonable and objective standards and criteria set forth in the Lease, and approvals may not be unreasonably withheld, conditioned, or delayed. The Lease will provide for "deemed consent" if Landlord does not respond after two (2) written notices providing for reasonable fixed periods, the duration of which will be negotiated and defined in the Lease. In the case of disapproval, Landlord will provide all reasonable grounds for the disapproval and specify such changes, if applicable, that would cause Landlord to grant its approval.

15. **Construction Schedule.** Tenant will reach substantial completion of the Project in conformance with a construction schedule mutually approved by Landlord and Tenant as described in the Lease, subject to Force Majeure Delays and mutually agreed change orders or modifications to the construction schedule. Tenant will have 60 business days to cure any impermissible delay, subject to Force Majeure Delays. In addition, during the Construction Period, Tenant will not stop construction for any continuous period of more than 60 business days, subject to Force Majeure Delays. In the event of breach by Tenant, Landlord may exercise any applicable rights described in the Lease after expiration of any applicable notice and cure period provided therein.

As used herein, “**Force Majeure Delays**” means a delay due to any cause(s) beyond a Party’s reasonable control, including but not limited to, fire, explosion, flood, riot, acts of nature (including adverse weather), terrorist acts, acts of political sabotage, war, governmental acts (including legislation, orders, moratoria, or regulation), unknown subsurface conditions, endemic, pandemic, quarantine, inability to obtain required labor or materials (excluding inability solely due to price increases), strikes or labor difficulties, and delays caused by the other Party or any third party. The Party claiming a Force Majeure Delay will, however, make all reasonable efforts (if within its control) to remove or eliminate such a cause of delay and will, upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

16. **Construction Completion Guaranty.** A copy of the construction completion guaranty for the Project in favor of the Tenant’s leasehold lender will be provided to Landlord prior to the commencement of the Construction Period. Tenant will provide such a guaranty to Landlord only if there is no such guaranty in favor of the Tenant’s leasehold lender. Any guaranty will terminate upon substantial completion of the Project. No other guaranties are contemplated by the Tenant. Tenant will also provide a \$250,000 cash deposit or letter of credit to Landlord at the execution of the Lease as security for Tenant’s performance of its Lease obligations through the Construction Period, provided such deposit or letter of credit will be (i) reduced to \$150,000 upon substantial completion of the Project and held as a refundable security deposit under the Lease (and the balance of \$100,000 will be refunded to Tenant at the end of the Construction Period), or (ii) refunded to Tenant if the Lease is terminated during the Initial Period, less the Breakup Fee. If Tenant terminates the Lease during the Initial Period, Tenant will pay to Landlord a termination fee in the sum of Fifty Thousand and No/100 Dollars (\$50,000.00) (the “**Breakup Fee**”). As noted, the Breakup Fee will be paid by deduction from the security deposit.

17. **Leasehold Financing.** Tenant will have the right from time to time without Landlord’s consent to mortgage, pledge or otherwise encumber Tenant’s leasehold estate under the Lease and its interest in the Project to secure construction, permanent, or other financing (up to a maximum of 75% of Tenant’s interest in the Property). Any such leasehold financing will not attach to the Landlord’s fee estate. The Lease and any subleases (and all amendments, renewals, and extensions to either) will not be affected by or subject to Landlord’s fee mortgages (if any). Landlord’s fee and revisionary interests will not be affected by or subject to Tenant’s leasehold mortgage.

Upon request, Landlord will enter into a leasehold mortgage protection agreement with Tenant’s lender. Such an agreement may include the following provisions: right to notices; opportunity to cure (excluding defaults that are susceptible to cure by Tenant’s lender); lender’s control over Tenant’s

negotiation of and rights under the Lease; right to “new lease” on substantially the same terms as this Lease for the remaining Term if the Lease terminates; control over Tenant’s conduct of certain bankruptcy proceedings; after payment of all rents then due, Landlord will permit proceeds of casualty insurance and condemnation to be first applied to restoration of Project; and other normal and customary protections. In addition, if Tenant’s lender requires any modifications of the Lease as a condition to advancing a loan to Tenant, Landlord will from time to time execute and deliver a commercially reasonable modification agreement as may be required to make the Lease “financeable” to an institutional or capital market lender, provided that such agreement does not adversely affect Landlord in any material respect as determined by Landlord in its reasonable discretion or reduce any payment to Landlord.

18. **Net Lease.** Lease will be a “net” lease, meaning that Tenant will be responsible for all property taxes, insurance, utilities, maintenance, and all other Property expenses (except for certain exclusions relating to Landlord’s ownership of the fee). Tenant controls all operations, leasing, and tax protests.

19. **AS-IS Condition.** Unless the Lease is previously terminated or as otherwise provided, Tenant will accept the Land at the expiration of the Initial Period in its as-is condition as of such date. Landlord makes no warranties or representations of any kind with respect to the Land. Notwithstanding the foregoing, the Initial Period Rent, Construction Period Rent, Stabilization Rent, and Base Rent (as applicable) will be reduced by an amount equal to the amortized costs incurred by Tenant to remediate unknown environmental conditions identified prior to the substantial completion of the Project not discovered during the Initial Period. Such costs will be amortized over twenty-four (24) months; provided the maximum aggregate rent reduction will not exceed \$200,000. Landlord is responsible for the costs of abatement of asbestos in the existing buildings on the Land prior to demolition by Tenant. For reference, the geotechnical and environmental reports available to both Landlord and Tenant as of the date of the Term Sheet are:

Report	Company	Date of Report
Asbestos Survey Report--Revised	UO	01/22/2019
Report of Geotechnical Engineering Services	GeoDesign	02/13/2019
Phase I and Phase II Environmental Site Assessments and Limited Asbestos Survey	GeoDesign	03/02/2005
Limited Phase II Environmental Site Assessment	GeoDesign	12/16/2019

20. **Lease Assignment.** Tenant may assign all or portion of the Lease and its other rights in the Property to an Affiliate assignee (without consent of Landlord), to a permitted assignee (as described hereafter), to its leasehold lender in connection with leasehold financing (without consent of Landlord), or to another entity (with the consent of the Landlord).

Landlord may refuse to give consent if a potential assignee does not meet standards for: (i) sufficient successful operating and ownership experience to perform lessee’s Lease obligations (which will be defined in the Lease); (ii) financial strength (which will be defined in the Lease); and (iii) whose character and values do not conflict with Landlord’s standards (which will be defined in the Lease).

Landlord's consent or rejection of a potential assignee based on character and values must be limited to the following considerations:

- a. Overall positive history and reputation for safe operations with regard to real estate investments;
- b. Overall positive history and reputation for ethical practices with regard to real estate or other business activities;
- c. Inclusion on the List of Specially Designated Nationals and Blocked Persons maintained by OFAC, and that it does not reside in, and is not organized or chartered under the laws of:
 - (1) A jurisdiction that has been designated by the US Secretary of the Treasury under Section 311 or 312 of the Patriot Act as warranting special measures due to money laundering concerns; or
 - (2) Any foreign country that has been designated as non-cooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization, such as Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur.
- d. Inclusion on, or residing in or organized or chartered under the laws of a jurisdiction included on the US Department of Commerce's Entity List under the Export Administration Regulations; or
- e. Inclusion on the list of "debarred" companies or individuals declared by the Office of Federal Contract Compliance Programs to be ineligible to receive federal contracts.

Otherwise, Tenant's right to assign is subject to the Property's permitted uses and other provisions of the Lease and term sheet, including Landlord's right of first offer, if applicable. Tenant may not assign the Lease or other rights prior to substantial completion of the Project (except in connection with its leasehold financing). Following substantial completion of the Project, upon assignment, the assignor will be released from liability under the Lease resulting from obligations or causes arising on or after the date of assignment. In addition, if requested by Tenant to facilitate financing, sale or assignment, Landlord will cooperate with Tenant requests for commercially reasonable modifications of the Lease, provided that such modification do not adversely affect Landlord in any material respect as determined by Landlord in its reasonable discretion or reduce any payment to Landlord.

"**Affiliate**" means any individual or legal entity (i) under common ownership or control with Tenant; (ii) owned or controlled by Tenant; or (iii) which controls or owns Tenant (or directly or indirectly has the substantially the same control or ownership as Tenant). Affiliate does not include any individual or legal entity, including those which otherwise qualify as an Affiliate, formed to restructured to facilitate a sale, to a third party.

21. **Subleasing.** Tenant may enter into subleases without restriction, but subject to the permitted uses and other provisions of the Lease and term sheet, including but not limited to the enumeration of prohibited uses. Upon request, Landlord will from time to time enter into commercially reasonable

agreements to recognize and not to disturb the possession and other rights of subtenants under the applicable sublease so long as the subtenant is not in default of the sublease (beyond the applicable notice and cure period).

22. **Tenant's Right of First Offer to Purchase.** If Landlord decides to sell, assign, or transfer the fee estate in the Land, Tenant (or its Affiliate) will have the right to first offer to purchase the fee estate in the Land (which Tenant must exercise or waive before Landlord starts marketing). Neither Party has a right of first refusal to purchase. The right of first offer will continue in favor of each successor and assign of Tenant's interest under the Lease during the Term.

23. **Landlord's Right of First Offer to Purchase.** If Tenant decides to sell, assign, or transfer its leasehold and rights in the Project, Landlord will have a right of first offer to purchase the leasehold and rights in the Project (which Landlord must exercise or waive before Tenant starts marketing). Neither Party has a right of first refusal to purchase. This right of first offer to purchase does not apply to any sale, assignment, or transfer to an Affiliate of Tenant.

24. **Limited Right of Termination.** Landlord will have no right to terminate the Lease except for certain failures by Tenant to be described in the Lease, after expiration of the applicable notice(s) and cure period. Landlord must give Tenant at least two (2) written notices and rights to cure such failures prior to the effective date of termination (which notices will state in bold-face capital letters the pending Lease termination, the effective date of the termination, and the performance required by Tenant to avoid termination). The notices will be given in the form and times to be described in the Lease. Landlord will have its other legal and equitable remedies in the event of Tenant default.

25. **Surrender.** Subject to additional terms and details to be set forth in the Lease (including the capital reserves described below and Tenant's performance of maintenance obligations), upon expiration or termination of the Lease, all improvements comprising the Property to remain and title thereto automatically vest in Landlord. Tenant will perform all maintenance required under the Lease through the date of termination.

26. **Capital Reserves.** During the period on and after the Base Rent Commencement Date, Tenant will establish and fund a separate capital reserve account with annual contributions in the amount equal to one percent (1%) of the annual gross rental revenue of the Project. The funds in the capital reserve account will be used to perform capital repairs and replacements during the Term. Tenant will provide annual reporting to the Landlord on account balances and uses of the capital reserve account.

27. **Lease Document.** Tenant will prepare the initial draft of the Lease based on this term sheet. The Lease will be subject to review and approval in all respects by each Party.

28. **Broker.** Each Party acknowledges and agrees that neither Party has engaged a broker or agent in connection with this proposed transaction.

29. **Referral Arrangement.** The Parties will develop a written agreement by which the University will, subject to the limitations or federal and state law, as well as University policies, refer potential residential tenants and buyers to the Project. University agrees to refer and encourage internal and external parties seeking residential units to the Project. This University Referral Agreement will be

subject to reasonable performance standards assuring the components of the Project are safe and functional to the University's own standards.

30. **Additional Clauses.** The Lease will contain additional terms beyond those contained in this term sheet, including but not limited to, indemnity, insurance, the use of the Landlord's intellectual property and marks.

This term sheet and the above terms are not binding on either Party and are intended for the sole purpose of providing a framework for further discussions. This term sheet does not create any liability or obligations between Landlord and Tenant or other constitute a binding agreement and may not serve as the basis for any claim, whether in contract or tort, or for reliance or estoppel, or for any claimed breach of any obligation to negotiate in good faith. Landlord and Tenant do not have any obligations or liability to each other concerning the Land or Project unless and until a Lease is authorized, fully executed, and delivered by both Parties and each Party disclaims any and all such obligations and liability whatsoever, including without limited, the obligation to arrive at an agreement concerning the lease of the Land.

Please sign where indicated below to acknowledge the foregoing nonbinding terms.

University of Oregon

University Village LLC,
an Oregon limited liability company

By:

By:

Name:

Name:

Title:

Title:

Date:

Date:

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1700 Millrace Drive: Purchase Authorization

The university is requesting authorization from the Board of Trustees for the President (or designee) to negotiate and execute agreements, that are consistent with the terms outlined in the attached Letter of Intent, to purchase the building and leasehold improvements at 1700 Millrace Drive. The University of Oregon already owns the land and leases it to the current ground lease tenant. Space in the building is leased to several sub-tenants at market rates.

The attached resolution includes the non-binding Letter of Intent. A summary of the project follows.

Project Overview

The university proposes to purchase the building at 1700 Millrace Drive as a strategic acquisition for future university space needs. The building is approximately 80,000 gross square feet and includes five current tenants. The building is approximately 75% leased with 20,000 +/- square feet available for lease or use by the university. The property also includes 200 parking spaces.

In 2012 the university leased 2.51 acres to Trammel Crow to construct facilities for the Oregon Research Institute (ORI). The building was sold in 2016 to the current owners. In 2022 ORI filed for bankruptcy protection and moved out of the building.

Proposed Terms

The following highlights the key non-binding terms in the Letter of Intent attached to the Board's resolution in the docket.

Seller – 1700 Millrace, LLC a California limited liability company and Riverpark LLC a Delaware limited liability company.

Purchase Price - \$20,000,000, with \$200,000 earnest money deposit.

Conditions of Purchase – due diligence and inspection of the building systems, review of Seller's documents, review and approval of the title report.

IRS 1031 Exchange – The Seller is asking the university to cooperate with their desire to complete a 1031 exchange.

Leasing activity – UO will be informed of any additional leasing activity between now and the closing date.

Operations – Seller will continue to operate the facility in the existing manner between now and the closing date and will deliver the property in “as-is” condition.

Board of Trustees of the University of Oregon

Resolution: Authorization for Real Estate Transaction (1700 Millrace Drive)

WHEREAS, the university leased 2.51 acres of property at 1700 Millrace Drive in 2012 to an external entity to construct facilities for the Oregon Research Institute, which has now filed for bankruptcy;

WHEREAS, the property at 1700 Millrace consists of 200 parking spaces and approximately 80,000 gross square feet of space, with approximately 75% of space under lease and 25% available for lease or use by the university;

WHEREAS, the university benefits from the acquisition of new space to address strategic current and future needs;

WHEREAS, the university has reached a non-binding letter of intent to purchase the building and leasehold improvements at 1700 Millrace drive for a purchase price of \$20 million;

WHEREAS, Board of Trustees' approval is required for the execution of instruments where the anticipated cost or value to the university exceeds \$5 million in total cost;

WHEREAS, the Finance and Facilities Committee has referred this matter to the full Board of Trustees as a seconded motion, recommending adoption;

NOW, THEREFORE, the Board of Trustees of the University of Oregon hereby authorizes the President (or their designee) to enter negotiations and execute an agreement consistent with the non-binding letter of intent (attached as Exhibit 1) for the purchase of the building & leasehold improvements for 1700 Millrace.

Moved: _____ Seconded: _____

Trustee	Vote	Trustee	Vote
Aaron		Lo	
Boyle		Madison	
Evans Jackman		Moses	
Fick		Seeley	
Holwerda		Ralph	
Hornecker		Ulum	
Kari		Worden	

Dated: _____ Recorded: _____

NON BINDING LETTER OF INTENT TO CONVEY, SELL AND PURCHASE LEASEHOLD INTEREST AND IMPROVEMENTS

1. **Property:** 1700 & 1776 Millrace Drive, Eugene, Oregon; Property consists of land and improvements described by the Lane County Assessor as Map and Lot Nos. 17-03-32-14-02200, 17-03-32-14-02600 & 17-03-32-14-02700 in Lane County Oregon. Legal description of the Property is attached as Exhibit A.
 2. **Seller:** 1700 Millrace, LLC a California limited liability company and Rivrepark, LLC a Delaware limited liability company as tenants in common.
 3. **Purchaser:** University of Oregon, or their assignee
 4. **Purchase Price:** Twenty Million Dollars (\$20,000,000)
 5. **Earnest Money Deposit** On execution of the Conveyance P&S Agreement, Purchaser shall deposit \$200,000 with Cascade Title Company, Tara Muller Escrow Agent, as Earnest Money Deposit. On Purchaser's waiver of the Conditions of Purchase, Purchaser shall deposit Additional Earnest Money of \$300,000 and the Earnest Money and Additional Earnest Money shall be non-refundable to the Purchaser. Earnest Money and Additional Earnest Money to apply to the Purchase Price at Closing.
 6. **Conditions of Purchase:** Purchaser's closing is conditioned on the following:
 - a. Physical inspection of the Property and review of Seller's Documents (consisting of third-party reports, surveys, leases, 2021, 2022 and YTD 2023 operating statements) within forty-five (45) days after execution of this Letter of Intent. Seller shall deliver Seller's Documents within five (5) days after execution of this Letter of Intent.
 - b. Purchaser's approval of the condition of title within ten (10) days after delivery of a preliminary title report by Cascade Title Company.
 - c. Approval of the Purchaser's Board of Trustee by June 6, 2023. This is a condition both for the benefit of the Purchaser and the Seller.
 7. **Prior to Closing:** Purchaser to be informed of any new leasing activity and lease renewals. Seller may continue with its usual and customary leasing activities at the Property, including without limitation any renewals currently in process. New leasing activity and lease renewals are not a condition of Purchaser's obligation to close.
 8. **Condition at Closing:** Seller will operate the Property in substantially the same manner as it is now operating. At Closing, the Property will be delivered in its "as is" condition at Closing.
 9. **Closing:** The Closing shall occur within ten (10) days of Seller's written notification to the Purchaser of the Closing Date which shall be no sooner than ten (10) days and no later than ninety (90) days following Purchaser's waiver of contingencies. Purchaser will cooperate with Seller to complete an IRS Code Section 1031 Exchange.
- At Closing, Seller will pay for a standard leasehold policy of Title Insurance for the benefit of the Purchaser in the amount of the Purchase Price. Purchaser shall pay for any additional title insurance coverage it elects to obtain, including any title endorsements. Escrow fees to be shared equally between the parties. Property insurance, utilities, rents and operating expenses to be prorated as of the Closing Date. Tenant deposits to be transferred to the Purchaser at Closing. Existing leases to be assigned to the Purchaser at Closing.

10. **Conveyance Agreement:** Purchaser to provide the Seller with a document with terms for conveyance/assignment of the Sellers interest in the ground lease encumbering the Property to the Purchaser within seven (7) days of execution of this Letter of Intent.

THIS LETTER OF INTENT IS INTENDED SOLELY AS A PRELIMINARY EXPRESSION OF GENERAL INTENTIONS AND IS TO BE USED FOR DISCUSSION PURPOSES ONLY. THE PARTIES INTEND THAT NEITHER SHALL HAVE ANY CONTRACTUAL OBLIGATIONS TO THE OTHER WITH RESPECT TO THE MATTERS REFERRED HEREIN UNLESS AND UNTIL A DEFINITIVE CONVEYANCE AGREEMENT HAS BEEN FULLY EXECUTED AND DELIVERED BY THE PARTIES, IF AT ALL. THE PARTIES AGREE THIS LETTER OF INTENT IS NOT INTENDED TO CREATE ANY AGREEMENT OR OBLIGATION BY EITHER PARTY TO NEGOTIATE A DEFINITIVE CONVEYANCE AGREEMENT AND IMPOSES NO DUTY WHATSOEVER ON EITHER PARTY TO CONTINUE NEGOTIATIONS, INCLUDING WITHOUT LIMITATION ANY OBLIGATION TO NEGOTIATE IN GOOD FAITH OR IN ANY WAY OTHER THAN AT ARM'S LENGTH. PRIOR TO DELIVERY OF A DEFINITIVE CONVEYANCE AGREEMENT, AND WITHOUT ANY LIABILITY TO THE OTHER PARTY, EITHER PARTY MAY (1) PROPOSE DIFFERENT TERMS FROM THOSE SUMMARIZED HEREIN, (2) ENTER INTO NEGOTIATIONS WITH OTHER PARTIES AND/OR (3) UNILATERALLY TERMINATE ALL NEGOTIATIONS WITH THE OTHER PARTY HERETO.

IN WITNESS WHEREOF, the undersigned have executed this Letter of Intent as of the last date written below.

SELLER
1700 Millrace LLC and Rivrepark LLC
By ~~Westminster~~ Capital Group LLC, Manager
Greg Beizberg
By Gregory Beizberg, Manager
Dated May 16, 2023

PURCHASER
University of Oregon
Jamie Moffatt
By Jamie Moffatt
Dated May 22, 2023
Interim
President

EXHIBIT A-1

Legal Description of the Premises

File 7470001-010
10/31/2011

All of Lot 5 of the RIVERFRONT RESEARCH PARK SILVA ADDITION, as Platted and Recorded in File 75, Slides 636 and 637, Lane County Oregon Plat Records, in Lane County, Oregon;

And a parcel of land being a portion of Lot 2, RIVERFRONT RESEARCH PARK, as Platted and Recorded in File 74, Slides 77, 78 and 79, Lane County Oregon Plat Records, in Lane County, Oregon, and a parcel of land being a portion Lot 6, RIVERFRONT RESEARCH PARK SILVA ADDITION, as Platted and Recorded in File 75, Slides 636 and 637, Lane County Oregon Plat Records, in Lane County, Oregon, said parcels being more particularly described as follows:

Beginning at the Southeast corner of said Lot 2, said point also being on the northerly right of way of Mill Race Drive; thence along said northerly right of way North $86^{\circ}17'37''$ West 134.54 feet; thence leaving said northerly right of way North $3^{\circ}41'36''$ East 188.70 feet to the northerly line of said Lot 6; thence along the northerly line of said Lot 6 along a 2,839.79 foot radius curve right (the long chord of which bears South $76^{\circ}24'38''$ East 136.60 feet) 136.61 feet to the Northeast corner of said Lot 6; thence along the northerly line of said Lot 5, along a 2,839.79 foot radius curve right (the long chord of which bears South $70^{\circ}45'46''$ East 422.85 feet) 423.24 feet to the Northeast corner of said Lot 5; thence along the easterly line of said Lot 5, South $23^{\circ}30'27''$ West 121.55 feet to the Southeast corner of said Lot 5 and the northerly right of way line of Mill Race Drive; thence along said northerly right of way as follows: along a 2,718.24 foot radius curve left (the long chord of which bears North $68^{\circ}16'38''$ West 169.31 feet) 169.34 feet to a point of compound curvature; thence along a 139.50 foot radius curve left (the long chord of which bears North $78^{\circ}10'40''$ West 39.39 feet) 39.52 feet to a point of tangency; thence North $86^{\circ}17'37''$ West 114.96 feet to a point of curvature; thence along a 130.00 foot radius curve right (the long chord of which bears North $81^{\circ}22'33''$ West 22.30 feet) 22.32 feet to a point of reverse curvature; thence along a 170.00 foot radius curve left (the long chord of which bears North $81^{\circ}22'20''$ West 29.16 feet) 29.19 feet to point of beginning.

Bearings are based on the Oregon Coordinate System – South Zone NAD83 (CORS 96) Epoch 2002, per County Survey File No. 38762, filed August 17, 2004, in Lane County, Oregon.

This parcel of land contains 77,119 square feet, more or less.

AND:

All of Lot 1 of the RIVERFRONT RESEARCH PARK SILVA ADDITION, as Platted and Recorded in File 75, Slides 636 and 637, Lane County Oregon Plat Records, in Lane County, Oregon being more particularly described as follows:

Beginning at the Northeast corner of said Lot 1; thence along the easterly line of said Lot 1, South $03^{\circ}42'23''$ West 362.19 feet to the Southeast corner of said Lot 1; thence along the southerly lines of said Lot 1 as follows: South $87^{\circ}52'31''$ West 253.79 feet;

thence South 02°06'01" West 31.84 feet; thence South 75°42'31" West 35.14 feet to the Southwest corner of said Lot 1; thence along the westerly line of said Lot 1, North 03°42'23" East 434.96 feet to the Northwest corner of said Lot 1, said point being on the southerly right of way of Mill Race Drive; thence leaving said westerly line and along said southerly right of way line, South 86°17'37" East 239.89 feet to a point of curvature; thence along a 130.00 foot radius curve right (the long chord of which bears South 81°22'33" East 22.30 feet) 22.32 feet to a point of reverse curvature; thence along a 170.00 foot radius curve left (the long chord of which bears South 80°20'16" East 23.03 feet) 23.04 feet to point of beginning.

Bearings are based on the Oregon Coordinate System – South Zone NAD83 (CORS 96) Epoch 2002, per County Survey File No. 38762, filed August 17, 2004, in Lane County, Oregon.

This parcel of land contains 109,685 square feet, more or less.

REGISTERED
PROFESSIONAL
LAND SURVEYOR

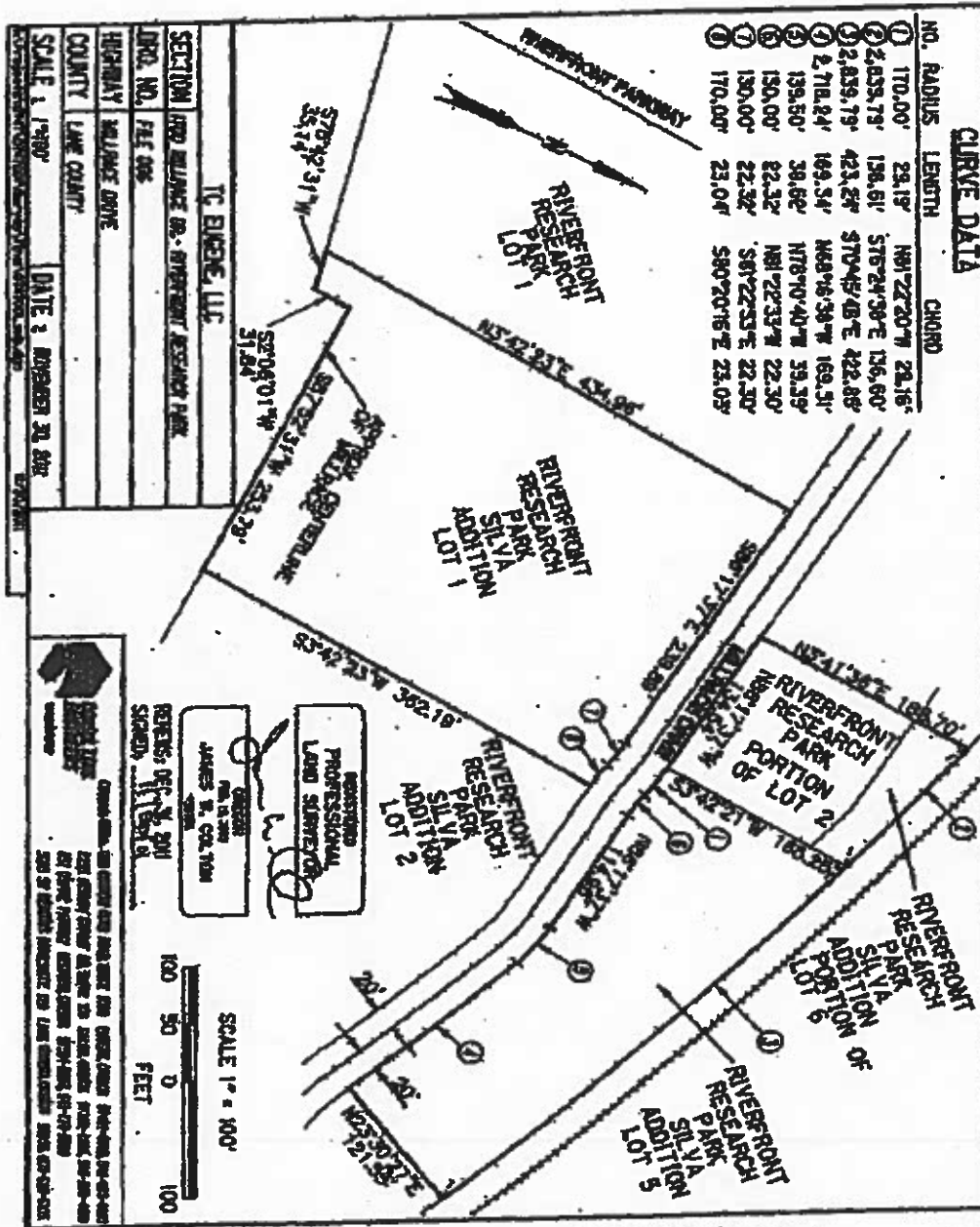
James W. Colton 10/31/11

OREGON
FEB. 19, 1999
JAMES W. COLTON
#58758

RENEWAL DATE: 12/31/11

EXHIBIT A-2

Map of the Premises



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Indoor Practice Facility License and Lease of Facilities for Gift-in-Kind
Development - Explanation of Intent

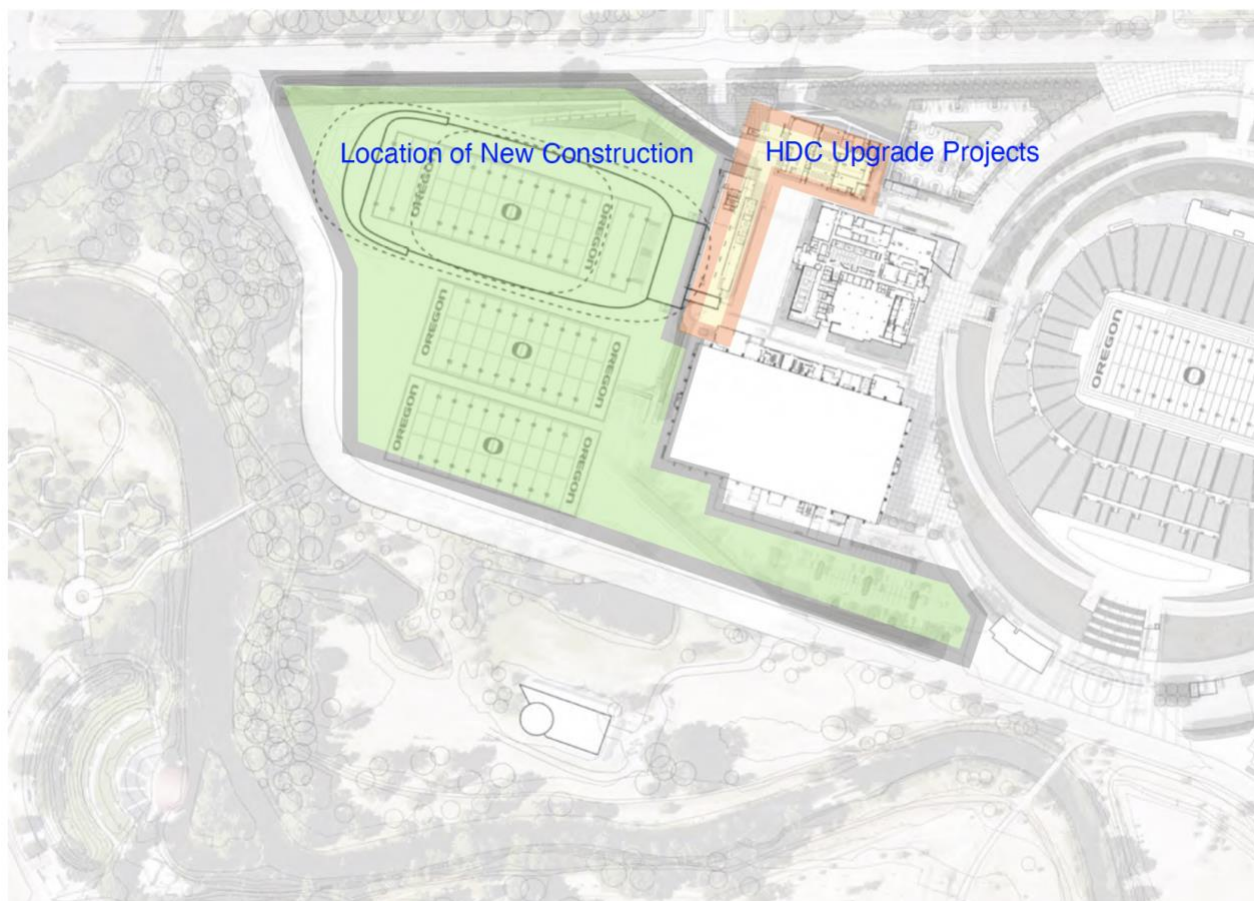
The University of Oregon proposes to construct a new Indoor Practice Facility to support the student athletes' needs for safe and secure practice space during periods of inclement weather and air quality events. The project calls for a 140,000 square-foot new indoor practice facility (plus another 30,000 square-feet of renovations to the existing Hatfield Dowling Complex) to be built on existing practice fields and a pair of new outdoor fields to be built on land that is being acquired from the city pursuant to Board authorization in September 2022. Construction of the new facility and practice fields are to be 100% donor funded. This new practice complex would benefit the community with enhancements to public park land and UO student athletes across multiple sports with increased access to indoor training facilities while providing one of the finest indoor football practice facilities in the country.





Project Overview: The university has been coordinating with Phit Too, LLC, an entity of the University of Oregon Foundation relating to this project. Under the proposal before the Trustees for approval via the associated resolution, the University will lease or license certain portions of its existing property, along with portions of property in the process of being acquired from the City of Eugene (pursuant to Trustee approval in September 2022) and lease/license other portions of the project area to Phit Too for the duration of the project, currently contemplated to be complete in 2025. Pursuant to the lease/license being drafted, the University will give access to/possession of the property in question for the purpose of the construction of the new indoor practice facility described above, along with upgrades to some portions of the existing Hatfield Dowlin Complex and the construction of two new outdoor practice fields. The drawings, below, show the approximate area to be leased/licensed to Phit Too.

Proposed Indoor Practice Facility



Once the property transfer agreement with the city has been finalized, assuming adoption of this resolution, the University will enter into an appropriate agreement with Phit Too, under which Phit Too will construct and enhance the facilities described and, upon completion, return possession to the University along with title to the newly constructed and renovated facilities.

The proposed resolution accompanying this description, if approved by the Board, will authorize the University to enter into agreements with Phit Too that will license and lease the property in question to Phit Too and authorize the University to accept this extraordinary gift once it is complete.

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Board of Trustees of the University of Oregon

Resolution: Authorization to Enter into a License or Lease Agreement (Football Practice Facility)

WHEREAS, the Hatfield Dowlin Complex on the University of Oregon's (the "UO" or "University") campus is fundamental to Oregon's success and upholds our football program's commitment to provide unrivaled facilities and resources for our student-athletes and coaches to achieve the highest level of success.;

WHEREAS, The Moshofsky Center at the Hatfield Down Complex is a dated facility that does not meet the needs of all the student athletes who use it;

WHEREAS, the creation of a new indoor practice facility for the primary use of the University's varsity football team will be supported by private philanthropy with no impact on the University's operating budget;

WHEREAS, the University of Oregon Foundation – an independent, non-profit organization responsible for receiving, investing and distributing gifts for the benefit of the University – has dedicated a single-member limited liability corporation for the purpose of creating a new indoor practice facility as Phit Too, LLC;

WHEREAS, Phit Too, LLC seeks to enter into a license or lease agreement with the University through which it would assume control of the University's existing outdoor football practice fields, the western portions of the existing Hatfield Dowling facility relating to weight training and conditioning and associated campus property (collectively "Practice Fields"), as well as that property the University contemplates acquiring from the City of Eugene pursuant to Board of Trustee resolution of September 15, 2022, for purposes of managing the construction and costs associated with creating the new indoor practice facility and replacing the outdoor practice fields in land to be acquired to the south of the existing facilities;

WHEREAS, the specific license or lease agreement would be negotiated between the University and Phit Too, LLC when more certainty exists surrounding the design and overall project;

WHEREAS, that license agreement will stipulate that the license or lease agreement will be made available to the public, and that controlling public contracting laws and prevailing wage rules will apply to the project where appropriate;

WHEREAS, Sections 1.7.2 and 1.9 of the University of Oregon's Policy on the Retention and Delegation of Authority requires approval by the Board of Trustees (the "Board") for the execution of instruments relating to real property where the anticipated value exceeds \$5,000,000 and for the acceptance of a gift of real estate and/or gifts that create obligations on the part of the University for which there is no established funding source, respectively; and,

WHEREAS, the Finance and Facilities Committee has referred this matter to the full Board of Trustees as a seconded motion, recommending adoption;

NOW THEREFORE, the Board of Trustees of the University of Oregon adopts the following:

1. RESOLVED, the Board authorizes the President or his designee(s) to take all actions necessary and proper to enter into a license or lease agreement with Phit Too, LLC for purposes of managing the completion of a new indoor practice facility as well as replacement outdoor practice fields and associated costs;
2. RESOLVED, the Board authorizes acceptance of the gift of real property to the University from Phit Too, LLC which comes in the form of construction of a new indoor practice facility and new outdoor practice fields and any increased value to the licensed or leased property; and
3. RESOLVED, the Board authorizes all prior actions taken on behalf of the University related to the acceptance and use of the aforementioned real property.

Moved: _____ Seconded: _____

Trustee	Vote	Trustee	Vote
Aaron		Lo	
Boyle		Madison	
Evans Jackman		Moses	
Fick		Seeley	
Holwerda		Ralph	
Hornecker		Ulum	
Kari		Worden	

Dated: _____ Recorded: _____

Agenda Item #3

University Cybersecurity

June 6, 2023

TO: University of Oregon Board of Trustees

FROM: Abhijit Pandit, Vice President and Chief Information Officer,
José A. Domínguez, Interim Chief Information Security Officer

RE: State of the Information Security Program at the UO

Overview

The university created its Information Security Program policy in April 2016. The policy grants authority to the Information Security Office, a unit within Information Services, to implement an Information Security Program to mitigate risk relating to information security. The office's responsibilities include, but are not limited to:

- Develop policies, procedures, and guidelines for securing University systems, networks, and data based on applicable laws, regulations, and best practices.
- Consult with campus users and departments to investigate information security issues, perform risk assessments, and propose products and processes to mitigate risk discovered.
- Monitor the University networks and systems to identify malicious activity.
- Provide incident response for information security incidents.
- Increase campus awareness of information security through training and communication.
- Use frameworks to ensure that information security is built into current and new systems. Identify risks to the security of information, systems, and users to mitigate these risks to levels acceptable by University Administration.

The rest of this document describes the structure of the Information Security Office, the different programs and initiatives in place, and projected objectives.

Information Security Office Team

The **Information Security Office (ISO)** in Information Services is led by José A. Domínguez, Interim Chief Information Security Officer (CISO). We hired Opus Partners to help with the search for a permanent CISO, and the search started in late April 2023. The ISO is responsible for implementing the Information Security Program (ISP) at the University of Oregon. The office has information security responsibilities over all University data, computers, and networks. The program makes use of risk management techniques to identify, manage, and remediate information security risks for the university. To support its responsibilities, the ISO follows the Cybersecurity Framework as defined by the U.S. National Institute of Standards and

Technologies (NIST). The ISP receives advice from the Information Security Program Governance subcommittee (ISP-GC), a governance group established by the Information Technology Steering Committee (ITSC) to ensure that the information security and privacy programs are aligned with UO academic, research, and administrative objectives, and are consistent with university policies, state and federal laws. Additionally, the ISO leads the university Data Security Incident Response Team (DSIRT), which provides general oversight for our incident response program.

The ISO consists of four functional areas:

- **Information Security Services & Operations (ISSO)** – Focuses on the *identify, protect, and detect* functions of the NIST cybersecurity framework. The ISSO deploys technologies to protect our resources and communication channels. This team oversees the identification of our assets, determines their risk representation, and provides services to protect them. Several of the programs managed by this function include vulnerability management, email security and phishing protection, threat defense tools such as intrusion defense (IDS) and intrusion protection (IPS) systems, and security incident event management (SIEM). In addition, this team works with the UO community to ensure we build and operate infrastructure to support the university's academic, research and administrative missions. The ISSO is led by Duncan Barth.
- **Cyber Security Operations Center (CSOC)** – Focuses on the *detect, respond, and recover* functions of the NIST cybersecurity framework. The CSOC manages our threat intelligence feeds — looking for indications of compromise, threat hunting, starting our incident response functions, and guiding the recovery after an incident. The group is staffed using university students who rotate through four roles — a) CSOC Analyst, b) Incident Response Analyst, c) Compliance Analyst and d) DevSecOps — during their time with the group. The CSOC is led by Jon Miyake.
- **Information Security Risk & Compliance (ISRC)** – Focuses on supporting all five functions of the NIST cybersecurity framework from the perspective of compliance and controls development. The ISRC works on the creation of policies, standards, controls, guidelines, and procedures that support the information security program. The group works with the university contracts management teams in performing risk and compliance capabilities assessments related to information security for third-party vendors and research contracts. In addition, the team manages our cybersecurity awareness and training program, and collaborates on compliance management for GLBA, HIPAA, FERPA, PCI, Red Flag, NIST and other regulatory requirements at the university. The ISRC is led by Clevn Mmari.
- **Information Technology Disaster Recovery (ITDR) Program** – This is a new function of the ISO created in 2022 as the result of a new objective identified during an internal information security program review. As part of our overall business continuity plan, the ITDR function will define the set of procedures and supporting documentation that enables the university to restore core IT services as part of our overall business continuity plan. The program will identify critical applications and dependencies, define an appropriate (and desired) recovery timeline based on a business impact analysis, and

create a step-by-step incident response plan for those critical applications. The program manager assigned to this function has started to work with all IT solutions and services providers to build our ITDR plan and make it actionable. The ITDR program is led by Stephany Freeman.

Vision, Mission, and Strategic Objectives

For the university to achieve its goals without significant barriers due to uncertainty from cybersecurity risks, we must continue our mission and continue striving towards our vision.

- **Vision** – A knowledgeable and capable UO community working together to safeguard our digital assets and capabilities to empower excellence in research and instruction in a resilient cyber environment.
- **Mission** – To empower the UO community to leverage digital assets and capabilities and defend our cyber environment through proactive measures.

Our strategy remains pivotal for maturing the UO cybersecurity function of defending against current threats and empowering the UO community to maximize its digital capabilities. The four cybersecurity strategic objectives are as follows (see Figure 1):

- 1) Safeguard the value of our digital assets.
- 2) Empower the UO community to leverage our digital capabilities, defend against threats, and comply with regulations.
- 3) Enhance operational agility, security, and resilience.
- 4) Cultivate a culture of collaboration, innovation, and progress.



Figure 1. Linking Vision, Mission and Strategic Objectives.

UO must continue to prioritize our cyber defense to continue to reduce the risks of significant impact from cybersecurity incidents that threaten to diminish the university's competitive edge in research, academics, and other key areas. Continued adoption of this strategy promises

significant benefits, including increased research competitiveness and revenues, attraction and retention of top students and research talent, reduced cyber risk, support mission critical university objectives, and optimization of cybersecurity investment.

ISO Programs and Activities

With significant university investment, we have been able to mature the ISO cybersecurity function and move it in the right direction. Since 2021, we have made progress or completed several of our Cybersecurity Strategic plan objectives. Key technologies and programs deployed or that are in the planning stage are described below.

Two-Factor Authentication – All UO users’ accounts (faculty, staff, students) have been enabled for Duo two-factor authentication. This means that for all UO applications that are Duo-enabled, users must authenticate with two factors (*something they know* - password, and *something they have* – Duo app, token, one-time codes, etc.). This has significantly reduced the likelihood of a successful cyber breach at UO. We continue to enable multi-factor authentication (MFA) for existing critical and sensitive application systems, and all new applications are deployed with MFA enabled. We have observed a change in tactics by threat actors trying to social engineer our users into approving fraudulent MFA verification and have started awareness campaigns to reinforce acceptable and secure technology interaction behavior.

Cybersecurity Awareness Training – The ISO has successfully implemented a Security Awareness Training tool that is now available for all UO users (faculty, staff, and students). We have also implemented and rolled out capabilities to perform simulated phishing exercises to evaluate the UO community’s ability to identify and avoid becoming victims of social-engineering scams. The ISO is also introducing a cyber awareness campaign that emphasizes account, email, and endpoint device security using a three-legged stool metaphor. This capability provides key insights into our training program's effectiveness and allows us to make the necessary adjustments to improve what information is deemed more critical to the university community. In addition, we continue to provide basic and just-in-time awareness training, with mandatory requirements for appropriate users. While completion of cybersecurity awareness training is not yet a mandatory requirement for all members of the university community, we make use of it as part of the remediation process after a cybersecurity event.

Vulnerability Management – The ISO completed implementation of its internal vulnerability scanning program which expands and complements our external scanning program which leverages free ongoing assessments from the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency (CISA). The internal scanning program includes the ability to scan the entire campus for technical vulnerabilities and configuration weaknesses, while keeping track of our attack surface, trends, and level of exposure for computers across our environment. The ISO continues to work with departments across the university to identify and

onboard critical and sensitive systems to be included in ongoing internal vulnerability scans. This critical process and tool will continue to help us identify and address elevated risk vulnerabilities before they are exploited by cyber criminals.

Email Security – The university uses technology that greatly reduces the number of malicious and nuisance email messages that arrive to a user’s email inbox. In addition, several email security features have been implemented that significantly reduced the number of phishing incidents by university users. We introduced targeted attack protection, automatic removal of malicious email messages, and URL protection services. These services have been running for close to a year now and have demonstrated themselves to be effective at blocking social-engineering attacks against our user population. These services also provide great insights to the security team about user behavior which helps us customize training and communication. Additional features and updates continue to be added to our email security toolset. In the following months, we plan to introduce protections for runaway email sending and tagging of external messages.

Data Loss Prevention (DLP) & Endpoint Protection – Through a strategic integrated purchasing decision, Information Services was able to acquire significant capabilities in data loss prevention and endpoint protection as part of our communications and collaborations technologies (CCT) project (by upgrading our O365 licenses from A3 to A5). UO now has access to the Microsoft Defender technology that will be able to provide protection for most endpoint devices (laptops, desktops, servers, etc.) and identities. This software will be able to provide central visibility into endpoint device security posture and streamline our response to incidents. This investment also provides access to capabilities to detect and reduce the potential loss of sensitive data from our Microsoft environment. Implementation of these capabilities is being prioritized over the next 12 months to protect our endpoint devices wherever they are located – on-campus or at home – and protect UO sensitive data.

Incident Monitoring and Response – The ISO continues to partner with multiple UO stakeholders to increase the maturity level of our incident monitoring and response function. Since the creation of the University’s Data Security Incident Response policy, the formalization of the Data Security Incident Response Team (DSIRT) and its relationship to the University Incident Management Team (IMT) has strategically elevated cybersecurity responses to incidents that are large enough in scale and impact to be handled by the full IMT. DSIRT and IMT have collaborated in joint tabletop exercises to ensure preparedness for major cyber incidents. In addition, the ISO continues to provide training for data stewards, system owners and other responders to increase preparedness in case of real incidents. The DSIRT team also played instrumental roles in responding to security incidents that have impacted the UO in the last 12 months. For 2023, we are working on building a new Table-top exercise in partnership with the Cybersecurity and Infrastructure Security Agency (CISA), in the US Department of Homeland Security, to help the DSIRT practice its processes.

Risk and Compliance Management – We continue to expand our Information Security Risk Compliance (ISRC) group to provide additional proactive functions for our cybersecurity

program. The ISRC has developed multiple cybersecurity standards and is working on establishing an integrated cybersecurity compliance framework. The office has successfully implemented our awareness and phishing simulation platform and is currently rolling out these capabilities across campus. The ISRC is implementing basic governance, risks, and compliance (GRC) tools to manage our security controls and track compliance. This team performs ongoing third-party and cloud vendor risk assessments and works with the university Research Administration to assist faculty and students in meeting funders' requirements for protecting research data and systems.

Policy Updates – The Information Security Office in collaboration with stakeholders around campus has developed, published, and provided training around campus on multiple policies and standards including Information Asset Classification and Management [Policy](#), the Minimum Information Security Controls [Standard](#), and the Data Security Classification [Table](#). Policies, Standards, Procedures, and Guidelines related to Information Security are posted [here](#). We are working with the Office of General Counsel to draft an Acceptable Use Policy and a Privacy Policy that will be sent to the Policy Advisory Council for review soon.

Data Center Firewalling and Intrusion Detection and Prevention System (IDPS) – In addition to our campus Internet edge next-generation firewall, Information Services started a project to revamp our Datacenter infrastructure facilities and incorporate several of our cybersecurity strategies into our datacenter service model. We are deploying on-premises virtualization technology and hyperconverged infrastructure that will better integrate with our cloud initiatives and maintain similar security postures, allowing for better use of university resources. Deployment of this technology will allow us to introduce additional endpoint and workload security, network security, and web application firewall technology into our services and provide better alignment with our load-balancing services.

Identity and Access Management (IAM) – The ISO has identified identity and access management as a cornerstone program for our cybersecurity strategy. To that extent we have contracted with a new vendor to replace our previous solution. The new product supports several elements of our IAM strategy: 1) provides better processes and automation to map the identity journeys for our students, faculty, and staff; and 2) allows appropriate access and facilitates secure privileged access to critical assets. In addition, we are looking at introducing a Privileged Access Management platform and a Password Management solution to be used by all members of the university community.

Cyber Liability Insurance – The university carries cyber liability insurance to help manage the possible costs associated with a data breach or a large cybersecurity incident. We look at this insurance as a measure to help us through our journey as we mature our Information Security Program.

ISO Outreach Initiatives

Internal Collaboration – The ISO collaborates strongly with UO faculty and students studying and/or performing cybersecurity research. We explore opportunities for partnership in solicitation of federal grants that encourage research that intersects with the operational cybersecurity function of the university. This approach promises to increase the level of expertise and capabilities for the cybersecurity function, while providing our faculty and students with access to real-world data and an operational environment to improve the quality of our research deliverables and increase the speed to science. Collaborating with other key internal stakeholders is also critical to the success of the strategy, including collaboration with UO Human Resources on recruiting, providing user awareness training and IT security training, and maintaining strong partnership with IT functions across the university as part of our Guided DIY security objective.

The ISO is also working closely with Safety and Risk Services and the Office of General Counsel to create a working group, sponsored by the Strategic Enterprise Risk Management Committee (SERMC), to help guide UO data privacy efforts. This will ensure that ever-evolving privacy requirements — HIPAA, GDPR, GLBA, etc. — are met, and security and privacy compliance activities can be combined to increase efficiency and reduce the administrative burden for administrative, academic, and research staff across the university.

External Collaboration – Higher education is well known for collaboration and partnership in our quest to solve complex problems to benefit our institutions, communities, the nation, and the world. Cybersecurity is one such problem that we all strive to solve together. As such, a key component of our strategy is for the UO cybersecurity team to collaborate with other higher education institutions and others from the community to share and leverage actionable information and knowledge that can help solve problems and reduce or avert cybersecurity events and breaches. The team will continue to be encouraged to collaborate and engage with other industries across Oregon and the U.S., with federal and state authorities, and with cybersecurity technology vendors to continuously identify ways to improve our program and share best practices. Following are examples of collaborative initiatives that the ISO will invest time and other resources in over the next three to five years:

- **Oregon Cyber Resilience Summit (OCRS)** – Established in 2018 to promote a "whole community" approach, bringing together the private and public sectors, owners and operators, cybersecurity experts, students, and community members to network and train together to defend our infrastructure from ever-evolving cyber threats. The event is hosted by the University of Oregon in partnership with the Cybersecurity and Infrastructure Security Agency (CISA) of the U.S. Department of Homeland Security (DHS), the Federal Bureau of Investigation (FBI), the Oregon TITAN Fusion Center (OTFC), and the Technology Association of Oregon (TAO). New additions to the summit include the Oregon Cybersecurity Challenge Cup, which leverages gamification of learning and seeks the participation of students from high schools, two- and four-year colleges across Oregon, cybersecurity professionals, and others to participate in exciting security games, using a "capture the flag" format. Sponsorships from vendor partners and other proceeds from the

summit will contribute to multiple scholarships for students studying cybersecurity or related disciplines.

- **Research and Education Networks Information Sharing and Analysis Center (REN-ISAC)** – Acts as the Computer Security Incident Response Team (CSIRT) for the research and education community. The University of Oregon has been a member since 2009. As a member, we contribute and make use of Security Event Systems (SES) threat intelligence and other automated data collection and sharing tools to enable informed decisions about threats and events, as well as peer assessment services to improve the university's overall security posture.

External & Internal Environment Assessment

To develop pragmatic objectives for the next three years, we investigated current security practices and evaluated industry reports providing analysis of the state of cybersecurity threats. In addition, the ISO and other university partners conducted an internal maturity assessment to understand the current threat landscape and the maturity of our cybersecurity program.

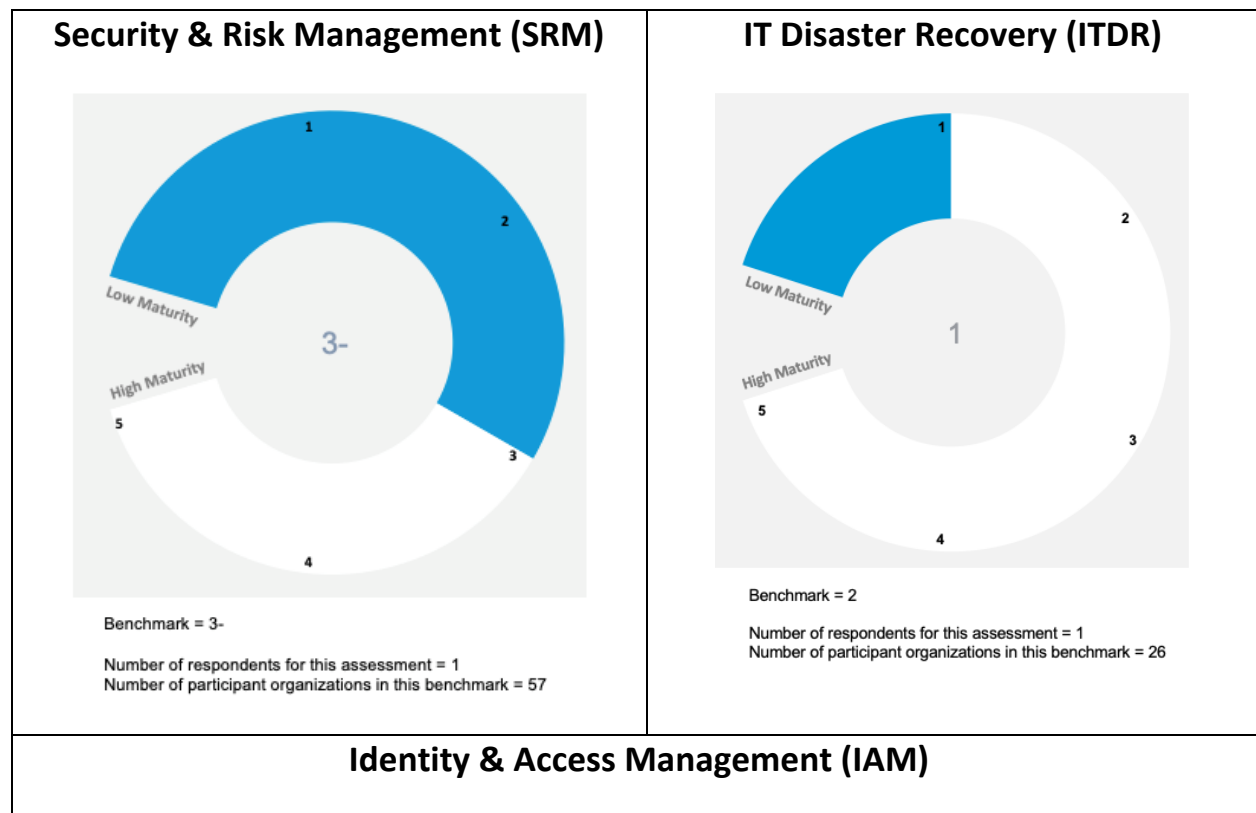
DBIR 2021 on the Education Vertical – According to the 2021 Verizon Data Breach Investigation Report (DBIR), the Education vertical has an unusually large percentage of social engineering attacks in which *pretexting* was the employed tactic. These tactics are typically used with a goal of instigating a fraudulent transfer of funds. In addition, the DBIR reported that ransomware is the favorite malware being used with some groups taking copies of data prior to triggering the encryption and then using it as further pressure against victim organizations. The increase in risk associated with ransomware and other cyber incidents, has resulted in insurance companies being reluctant to provide coverage for cyber. For example, UO's cyber insurance coverage for 2021 to 2022 has been cut by about 50% with an increase in annual premiums of almost 100%.

EDUCAUSE Top IT Issues – The 2022 EDUCAUSE study continues to present Cybersecurity as its number one concern. The realities of the COVID-19 pandemic and the changes in technology architectures are making it difficult for higher education institutions to provision and secure institutional infrastructure and components of its supply chain. The addition of remote/hybrid working, and online/hybrid courses requires that institutions pay closer attention to the devices being used to access university resources. In many cases, staff and students make use of personally owned devices that might be accessible to other members of their families. This particular challenge can lead to a security breach.

Gartner IT Score for Security Functions – The ISO along with other partners in Information Services conducted multiple Gartner assessments to determine the maturity of three key components of the UO information security function, namely: Security and Risk Management (SRM), Business Continuity Management/IT Disaster Recovery (ITDR) and Identity & Access Management (IAM). The review assessed a broad set of functional activities across the organization to measure maturity across two dimensions – maturity and importance, to

produce an overall IT Maturity Score ranging from 1 (low maturity) to 5 (high maturity). The assessments followed a modified methodology where stakeholders were brought together to review the score for the different elements through a discussion session and reach a combined answer to be represented in the individual element score. Hence the value of 1 for the number of respondents for the assessments is in Figure 2. The UO score for Security & Risk Management (SRM) was on par with the benchmark for education and federal/state government entities whereas the UO scored below the benchmark for the IT Disaster Recovery (ITDR) component of our Business Continuity function. The self-assessment also showed that our Identity & Access Management (IAM) scored slightly higher than the benchmark for education and federal/state government.

- **SRM 3-**, compared to the same average score of 3- when benchmarked against 57 education, state, and federal government entities (20 education, 39 government)
- **ITDR 1**, compared to an average benchmark score of 2 when benchmarked against 26 education, state, and federal government entities (7 education, 19 government)
- **IAM 2+**, compared to an average benchmark score of 2- when benchmarked against 18 education, state, and federal government entities (5 education, 13 government)



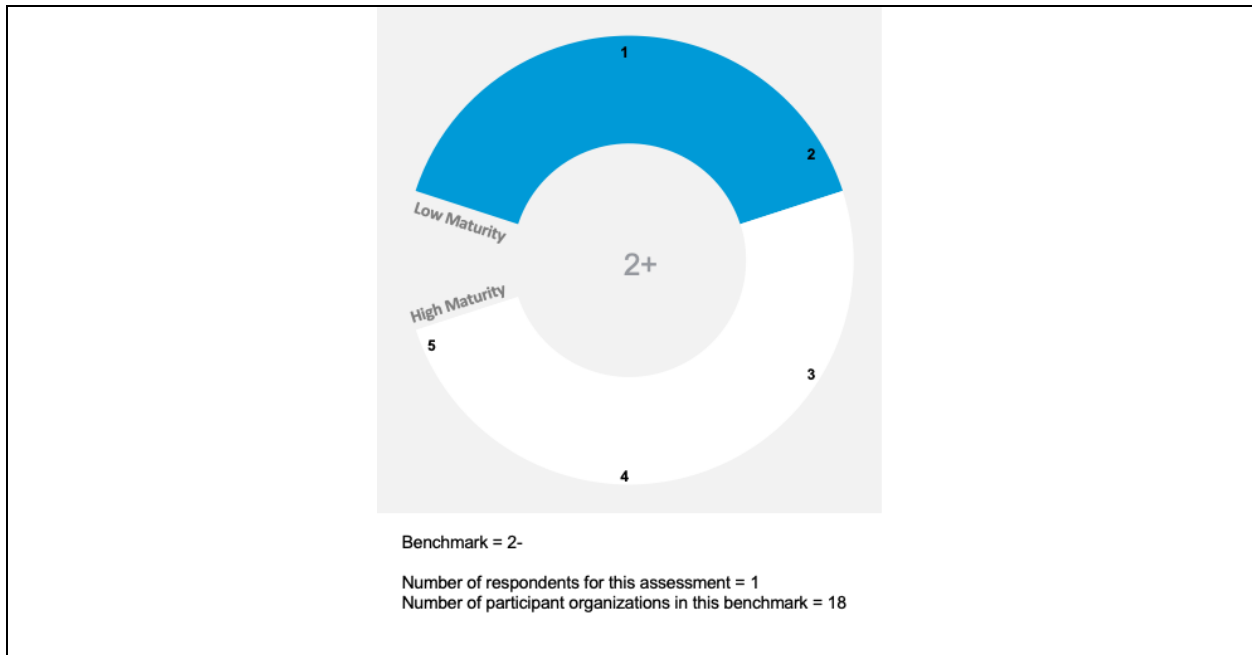


Figure 2. Gartner IT Score Assessment Overall Maturity Results.

The results showed that the UO Information Security Program has matured over the past four years from slightly below the average for education to the average for benchmarked peers in education (and several state and federal government agencies). This resulted from strategic investments made by the university in information security, coupled with creative tactics employed by Information Services leadership.

IAM and ITDR are being assessed for the first time. Although Information Services has made significant investments in IAM over the past four years, with the acquisition of the Bravura (formerly Hitachi) Identify and Access Management tool, the IAM function is currently assessed at a 2, in line with our benchmarked peers in higher education and state and federal agencies. On the other hand, ITDR is rated as a 1 (below the benchmarked peers at 2-), which points out the need for significant improvement in our preparation and readiness for addressing disasters. To start assessing the current state of our ITDR function, the university has allocated funding for an ITDR Program Manager position, as stated above in the Information Security Team section of this memo. It is expected that, because of this work, the university will need to consider additional investments in the future to align the business expectations with our ability to satisfy those expectations.



Information Security Office




Information Security Program Report

Abhijit Pandit, Vice President & Chief Information Officer
 José A. Domínguez, Interim Chief Information Security Officer

June 6, 2023

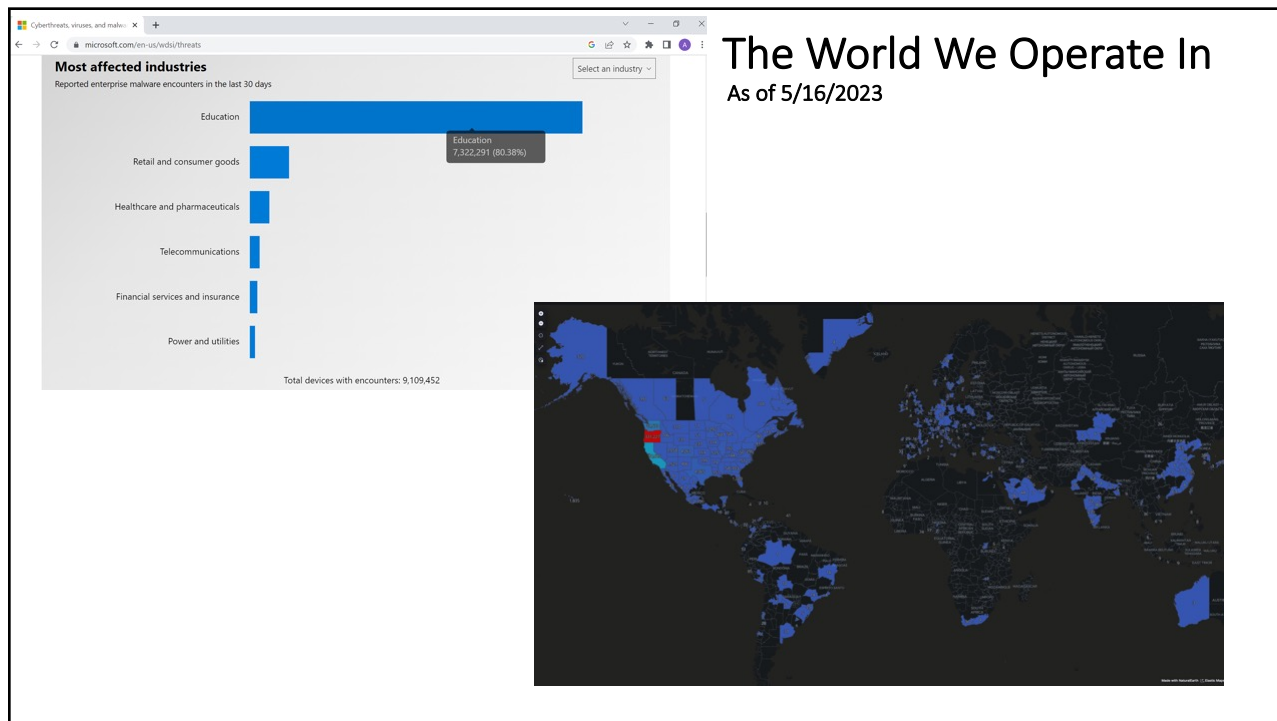
1

Ransomware-as-a-Service Business Model

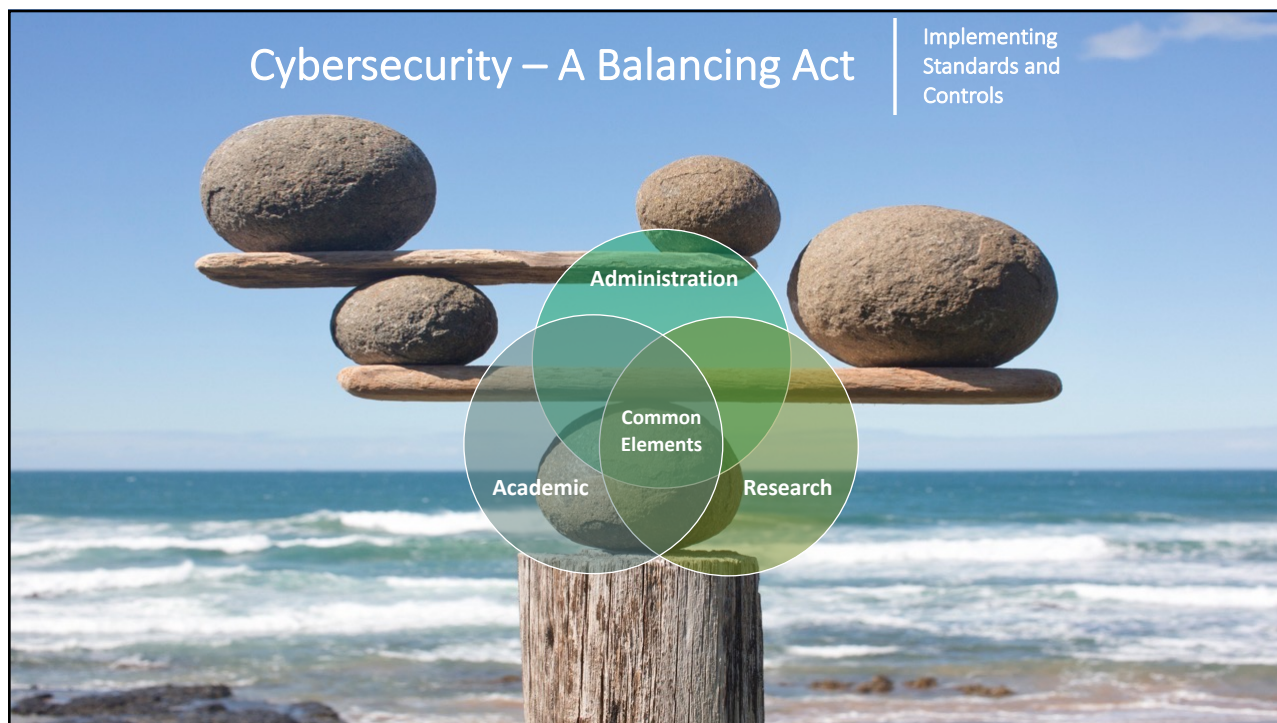




- The highest-earning cybercriminals are **making up to \$2 million a year** — almost as much as a **FTSE 250 CEO** — according to a 2018 study commissioned by HP (Bromium).
- **Midlevel** cybercriminals make **up to \$900,000**.
- **Entry-level** cybercriminals make about **\$42,000**.

2



3



4

Information Security Plan Components



Vision

A knowledgeable and capable UO community working together to safeguard our digital assets and capabilities to empower excellence in research and instruction in a resilient cyber environment

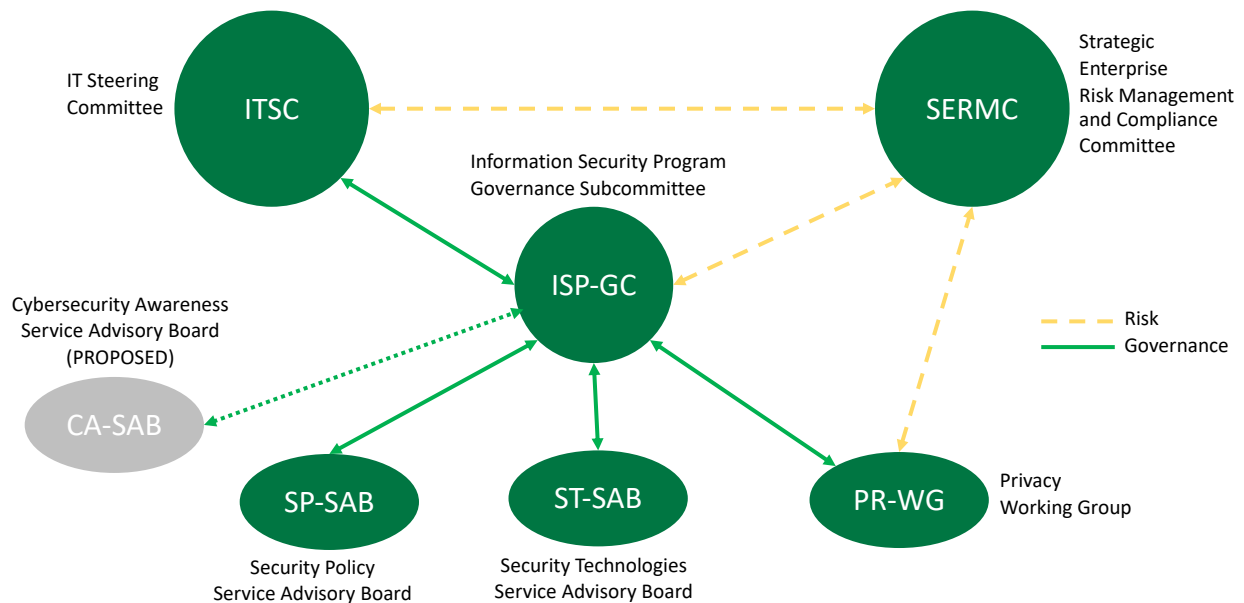
Mission

To empower the UO community to leverage digital assets and capabilities, and defend our cyber environment through proactive measures

5

Information Security Program Governance

What is the Right Amount of Security?



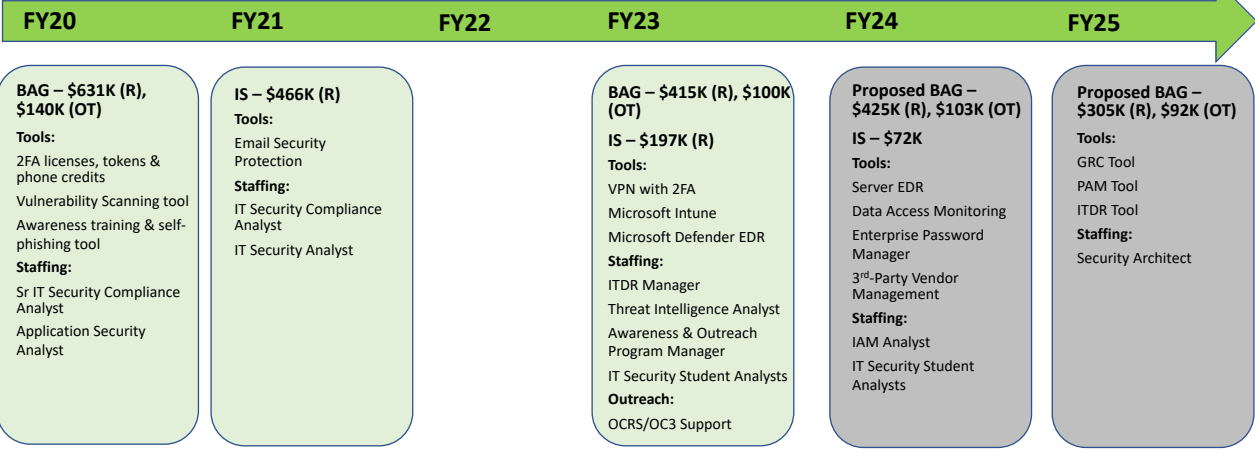
6

Cybersecurity Investments

- Approved Funding Requests
- Future Funding Requests

IS – \$25K (R)
Tools:
 Internal Mail Defense (IMD)

Acronyms:
 2FA – Two-factor Authentication
 BAG – Budget Advisory Group
 EDR – Endpoint Detection & Response
 IAM – Identity & Access Management
 IS – Information Services
 ITDR – IT Disaster Recovery
 GRC – Governance, Risk & Compliance
 OC3 – Oregon Cybersecurity Challenge Cup
 OCRS – Oregon Cyber Resilience Summit
 OT – One-time Expenses
 PAM – Privileged Access Management
 R – Recurring Expenses
 VPN – Virtual Private Network

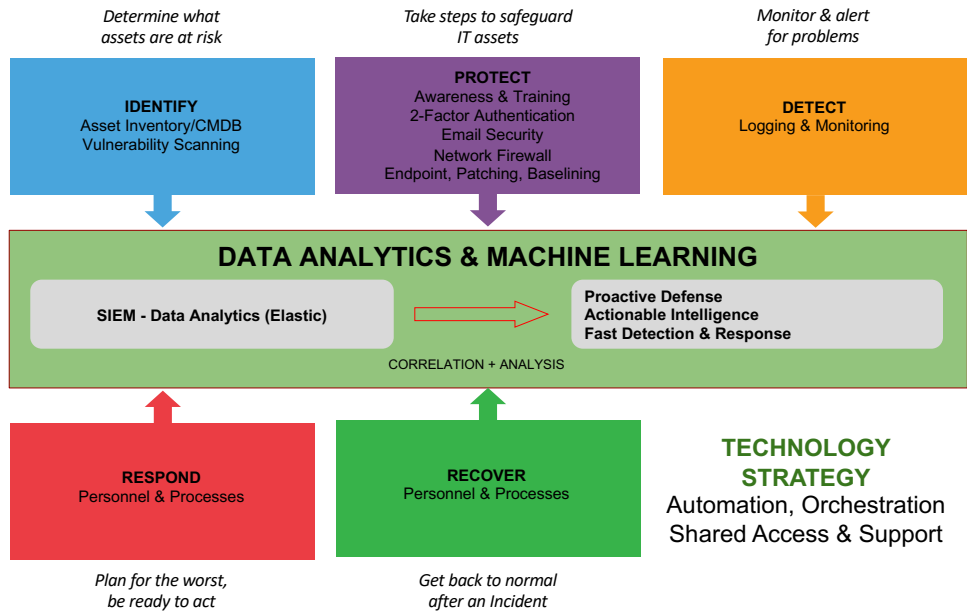


7

Cybersecurity Framework at UO



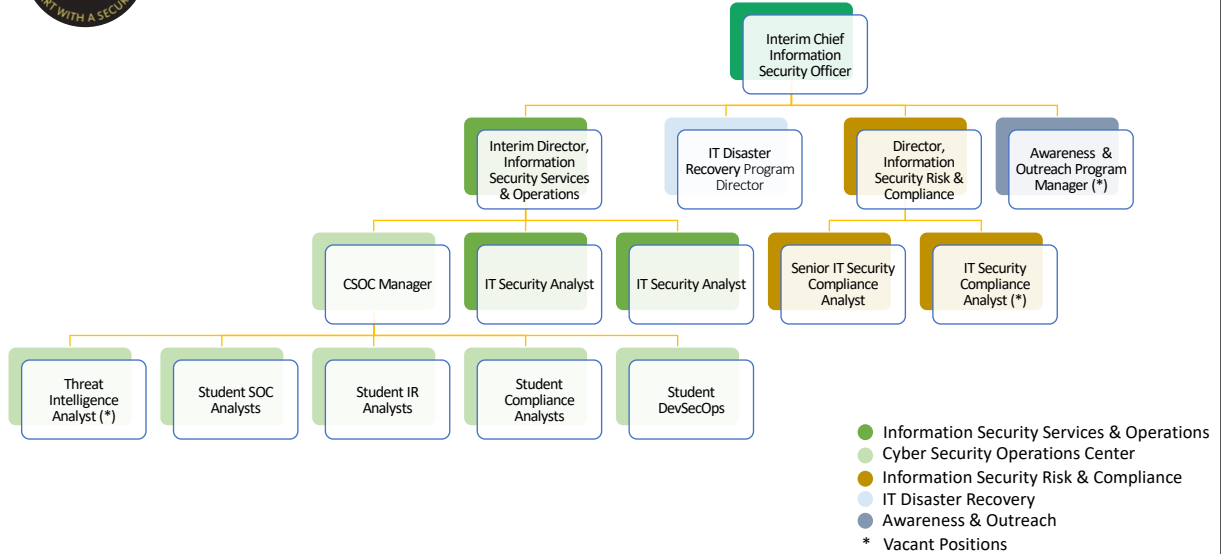
- External Partners:**
- CISA
 - FBI
 - Link Oregon
 - PAC-12 CISOs
 - Oregon Dept. of Justice
 - State of Oregon
 - REN-ISAC



8

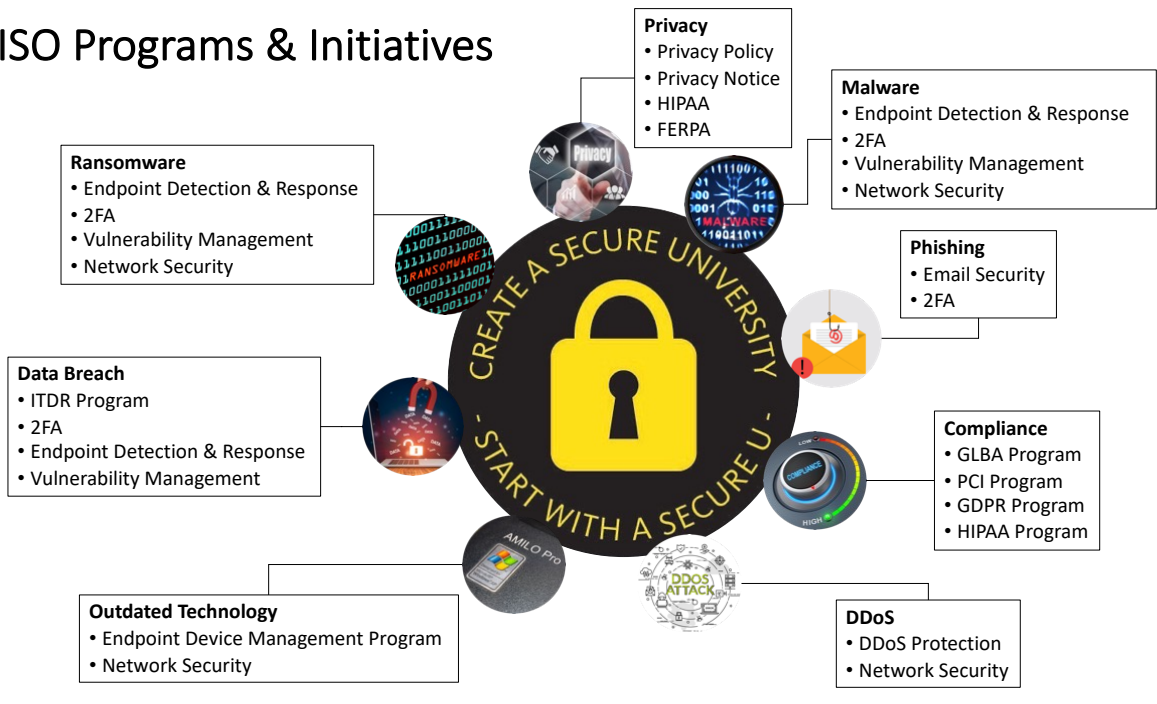


Information Security Office (ISO)



9

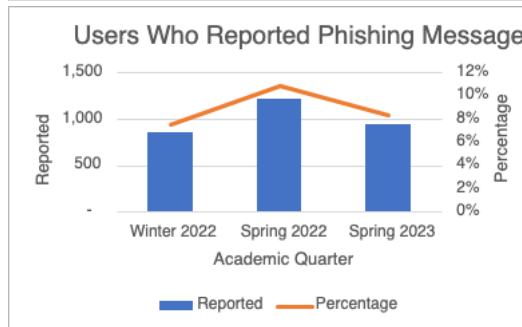
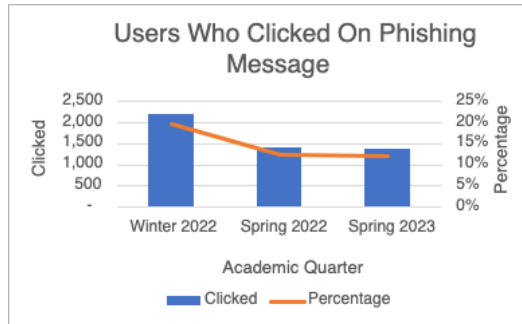
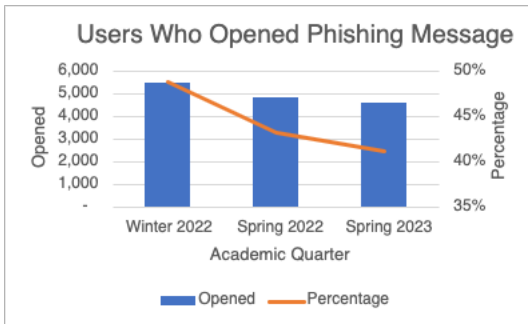
ISO Programs & Initiatives



10

Phishing Awareness Program

Initial findings evaluating three campaigns, seem to indicate the more frequently our campaigns are delivered, the better the results. We are planning to increase the frequency of our phishing education campaigns to validate that hypothesis.



Common participants across the three campaigns analyzed – 11,208

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Agenda Item #4

Federal Affairs Update

SUMMARY

This report will cover the University of Oregon's federal agenda, approach to advocacy, engagement with the Oregon congressional delegation, and an overview of current issues and challenges ahead.

Worth noting are the seismic changes that have occurred not only in Congress but also with the Oregon Congressional Delegation. Since 2020, the Oregon congressional delegation has undergone profound changes, including the loss of two Ducks and 75 years of experience with the retirements of Congressmen Peter DeFazio MA '77 and Greg Walden BS '81 and the departure of Congressman Kurt Schrader. In addition, Oregon saw an expansion of the congressional delegation from seven to eight members with the addition of the Sixth Congressional District in 2022. Half of the Oregon delegation is new to Congress. There are now only two graduates in the delegation. But the delegation is well-positioned to support student aid and the federal-university research partnership, including priorities where the state's interests and UO faculty strength align such as earthquake early warning and education and behavioral health research.

Nationally, with the 2022 mid-term elections and the official end of the federal pandemic emergency in May 2023, Congress and the Biden Administration turned from addressing the pandemic and recovery to managing inflation and a divided legislative branch. Starting in March 2020, the pandemic drove the priorities of the Administration, Congress, and the higher education community. In addition, the pandemic brought changes to advocacy activities with a new focus on video conferences meetings in addition to in-person engagements. Passage of consequential legislation in the 117th Congress such as the Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) also created special opportunities for research investments. The 117th Congress also saw the return of 'earmarking', now known as 'congressionally directed spending' or 'community project funding'.

I. ORGANIZING FEDERAL ADVOCACY FOR THE UNIVERSITY OF OREGON

Federal Affairs is part of the university's government relations unit, currently housed with University Advancement, currently reporting to Board Secretary Tim Inman. Led by Betsy Boyd, Associate Vice President for Federal Affairs, the Federal Affairs program shares staff and office space with State Affairs, Community Relations and the UO Advocates program, together these programs are known as Government & Community Relations. Staff with joint reporting relationships include two program directors, an executive assistant, and several law and undergraduate student workers. For efficiency and leverage, State Affairs, Federal Affairs, and Community relations coordinate advocacy, when appropriate, along with publications and events while strategically advancing each portfolio's agenda and managing the university's relationships with policy-makers in each arena. Betsy is registered as the university's federal lobbyist and files the university's quarterly lobbying disclosure reports along with its semi-annual gift reports.

Since 1999, the university has also had a small contract for congressional relations with Jennifer Schafer of Cascade Associates for targeted appropriations projects. Jennifer is a UO Honors College graduate. From 2012-2016, UO retained a federal agency relations firm, Lewis-Burke, in a contract paid for the president's office and managed by the Vice President for Research and the associate vice president for federal affairs.

Setting the Federal agenda: Federal Affairs works regularly with university leadership, particularly the university president, research vice president, and student aid leadership, to carry out the university's federal agenda. The federal agenda is set by university leadership, informed by the presidential level higher education associations such as the Association of American Universities (AAU) and Association of Public and Land-grant Colleges (APLU), in response to university academic and philanthropic priorities, and with an awareness of unique opportunities related to the federal policy and budget cycles.

Federal Affairs program’s purpose and mission: Federal Affairs’ mission is to manage and strengthen the university’s engagement with university stakeholders and federal policy makers. Federal Affairs encourages investment in and support for the university, its programs, and its initiatives. In the current climate, such advocacy also involves defending resources against cuts and developing allies in business and industry to make the case for the innovation economy. Not only do we work regularly in coalition with other AAU and APLU members, but we also coordinate our efforts with Oregon State, Oregon Health & Science University, Portland State, and Pac-12 institutions. We use a variety of tools to communicate about the University of Oregon including [district profiles](#), spotlighting details about each congressional district.

The federal government is the university’s largest government partner. While the funding sources are not interchangeable, UO federal research awards and federal student aid paid to UO students (about \$175 million in 2021-22) is more than three times the state’s appropriation through the Public University Support Fund. More than 9,500 UO students rely upon federal aid to pay for their education. About a third of UO’s resident students depend upon Pell Grant funds. In all, the Pell Grant provides \$20 million in grant aid to UO students.

II. THE ROLE OF THE FEDERAL GOVERNMENT AND PANDEMIC RELIEF & RECOVERY

Looking back to the pandemic and the extraordinary resources that the Higher Education Emergency Relief Fund provided institutions of higher education, Congress provided direct aid to universities and students in three of the five enacted pandemic relief packages. For UO, the allocation of funds under the formula totals (but our losses and new costs are many times more). **Below is a table of federal actions with links to information about the 117th Congress and additional information in the attached table of appropriations actions.**

<u>117th Priorities and federal pandemic relief and recovery (2020-22)</u>	<u>Description of congressional and advocacy pandemic and 117th Congress actions</u>	<u>Timeframe</u>
<p>Priority: Secure emergency relief for institutions and students</p> <p><i>NOTE: Three HEERF awards to UO totaling \$45.5 million for institutional losses and covid-response expenses. \$37.5 million separately awarded for direct support to students.</i></p> <p><i>US Senator Jeff Merkley played an early organizing role in March 2020</i></p>	<p>PANDEMIC RELIEF PACKAGES:</p> <p>The Coronavirus Aid, Relief, and Economic Security Act (CARES) was the third pandemic stimulus bill passed in the three weeks following the onset of the pandemic. It became law at the end of March 2020 with \$14 billion in the Higher Education Emergency Relief Fund (HEERF).</p> <p>It was the first stimulus to provide emergency funds for institutions as well as students. US Senator Jeff Merkley (D-OR) played a key role in shaping the legislation. The law allocated \$14 billion to universities and students (although the community sought \$47 billion). Under the formula that meant \$16 million to UO (at least half for emergency grants to students)</p> <p>After seven months of negotiations, Congress finally passed additional COVID-19 supplemental relief in December 2020 as a part of the omnibus appropriations package to finalize the FY21 federal budget. The massive \$2.4 trillion package, the Consolidated Appropriations Act of 2021 (H.R. 133), included \$900 billion for COVID-19 supplemental relief funding through the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA). The formula for allocation of funds is a hybrid between head-count and FTE intersected with Pell Grant participation. Association leaders called the \$22 billion a ‘down-payment’</p>	<p>Enacted:</p> <p>CARES 3-27-2020</p> <p>CRRSA 12-27-2020</p> <p>ARP 3-11-2021</p>

	<p>on the \$120 billion request. State and local government relief was not included.</p> <p>That second round of funding resulted in an award of \$24 million with approximately \$8 million set-aside for students.</p> <p>The final round of funding came through the American Rescue Plan passed in March 2021. With UO receiving \$42 million, split between the institution and aid to students.</p>	
<p>Priority: Secure research and student aid investment in the 117th Congress</p> <p><i>NOTE: UO secured both targeted and broad opportunities for research funding</i></p>	<p>117th CONGRESS: PANDEMIC RESPONSE PACKAGES, CHIPS & SCIENCE, and FY22 and FY23 budgets</p> <p>The 117th Congress was a consequential Congress where significant investments were made in student aid, pandemic relief, research, and infrastructure. The FY22 budget was the first budget in a decade that was no longer subject to budget caps. The FY2023 budget included some record increases for student aid and progress on implementation of CHIPS & Science Act.</p> <p>Thanks to the work of the Oregon delegation, the FY22 and FY23 budget packages also included investments of specific interest to UO including trauma immunology research, the seismic infrastructure that supports ShakeAlert and related monitoring and research, and Institute of Education Sciences.</p> <ul style="list-style-type: none"> • Institute of Education Sciences: UO faculty are among the nation’s top grant getters of funding from the US Department of Education Sciences. In addition, IES is the third largest federal funder of research activity at the University of Oregon. • Trauma Immunology: A competitive research program funded by the US Department of Defense with a focus on trauma immunology was funded at \$10 million in FY23 and the program grew from \$5 million in its first year. This program creates opportunities for Knight Campus faculty to compete for research funding. • USGS ShakeAlert /Earthquake Early Warning: ShakeAlert, the West Coast earthquake early warning system operated jointly by the University of Oregon, University of Washington, UC Berkeley and Caltech, was fully funded, allowing for continuing operational costs. UO’s Oregon Hazards Lab operates the Oregon portion of the Pacific Northwest Seismic Network (PNSN) and ShakeAlert. UO faculty use system sensors for additional types of scientific research. • FY22 - Center for Wildfire Smoke Research & Practice: \$800,000 from EPA to establish a Center for Wildfire Smoke Research and Practice at the University of Oregon. This is a congressionally directed spending request. • FY23 Sustainable City Year Program (SCYP): \$1.15 million in Community Funding/ Congressionally Directed Spending secured by U.S. Senators Jeff Merkley and Ron Wyden and retired Congressman Peter DeFazio. Under the auspices of the Fund for 	<p>Enacted:</p> <p>IJA 11-15-2021</p> <p>FY22 3-10-2022</p> <p>CHIPS & Science 8-9-2022</p> <p>IRA 8-16-2022</p> <p>FY23 12-29-2022</p>

	<p>Improvement of Post-secondary Education (FIPSE), the funds will support placement of SCYP classes in communities with climate action plans.</p> <p>Infrastructure Investment & Jobs Act – Passed in November 2021, the legislation funded \$1.2 trillion over ten years with significant investments in resilience and infrastructure. The program authorized transportation research funding opportunities of interest to UO faculty.</p> <p>Inflation Reduction Act – The largest climate investment in US history, the legislation included some provisions to encourage clean energy and energy efficiency, tax incentives (including eligibility for colleges and universities) and some workforce and research opportunities.</p> <p>Also of note, the legislation enabled the Build America Bond interest subsidy to continue, This provision saved UO \$1.2 mil a year in 2023 and 2024. The subsidy will need to be continued for future years.</p>	
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III. OPPORTUNITIES AND CONSIDERATIONS FOR THE 118th CONGRESS

In the new Congress, higher education associations have set doubling the Pell Grant as the top student aid priority although that aspirational goal is tempered by the reality of changes to leadership and pressures from the debt ceiling debate. Research agency funding is a recurring priority with special attention on the National Science Foundation’s budget and reauthorization of the Institute of Education Sciences. Funding the ‘science’ portion of CHIPS & Science is important to sustaining the momentum created by investments in the 117th Congress.

<u>118th Priorities (2023-24)</u>	<u>Description of congressional and advocacy pandemic actions</u>	<u>Timeframe</u>
<p>Priority: Secure federal appropriations for student aid and research programs including support for programs of interest to UO</p>	<p>Advocacy for appropriations to research and student programs that fund the University of Oregon, our students and our faculty’s research are top priorities.</p> <p>The debt ceiling debate, occurring at the time of this report’s preparation, makes it difficult to forecast whether a budget will be enacted.</p> <p>See Appropriations chart below for priority funding programs.</p>	Ongoing
<p>Priority: Secure congressionally directed spending for certain university priorities</p> <p><i>NOTE: Requests are limited to certain federal programs. Eligible programs for the Senate are different than eligible programs for the House.</i></p>	<p>The University of Oregon has submitted four congressionally directed spending requests for FY24 for activities involving:</p> <ul style="list-style-type: none"> • Ballmer Institute for Children’s Behavioral Health and data collectino, • interoperability of wildfire cameras (an activity involving the Oregon Hazards Lab) • expansion of the the Disaster Resilient Universities program to more Oregon institutions of higher education; • expansion of the Journalistic Learning Initiative to include more teachers and classrooms in Oregon. 	Ongoing

<p>Priority: Track and manage authorizing opportunities and federal regulatory actions</p>	<p>Key issues in the first session of Congress, aside from appropriations advocacy, include:</p> <ul style="list-style-type: none"> • Research security issues • Immigration issues • Equity in research and higher education with a focus on racial equity and/or rural-serving • Sexual misconduct and gender-based discrimination (Title IX) • College affordability • Higher Education Act Reauthorization 	
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Conclusion: With new members of the Oregon congressional delegation and a challenging federal budget environment, engagement with associations of higher education, other universities, and advocates for students and research will be important to sustaining federal resources to student aid and research.

At the time of this report’s preparation, Congress and the Administration are negotiating an extension of the debt ceiling while also working to set parameters for enactment of an FY24 budget.

Follow [our blog](#) and [UO Advocates](#) on social media for more information.

DISTRIBUTION OF STUDENT AID BY CATEGORY



AY2021-22	Resident Undergraduate		Nonresident Undergraduate		Resident Graduate		Nonresident Graduate		Total	
	N	Paid Amt	N	Paid Amt	N	Paid Amt	N	Paid Amt	N	Paid Amt
	Federal Aid	5,552	\$57,071,006	2,734	\$76,286,381	604	\$15,899,904	795	\$26,515,059	9,685
Pell Grant	3,543	\$16,627,859	931	\$4,367,866	0		0		4,474	\$20,995,725
Federal Supplemental Educational Opportunity Grant	1,307	\$1,693,300	261	\$332,530	0		0		1,568	\$2,025,830
Teacher Education Assistance for College and Higher Education Grant	6	\$26,088	2	\$2,514	2	\$2,829	0		10	\$31,431
Federal Work Study	481	\$654,215	114	\$137,093	43	\$63,711	67	\$85,520	705	\$940,539
Federal Direct Loan (subsidized)	2,807	\$11,610,586	1,656	\$6,754,594	0		0		4,463	\$18,365,180
Federal Direct Loan (unsubsidized)	2,996	\$11,880,491	2,060	\$6,901,615	582	\$10,232,774	769	\$13,910,975	6,407	\$42,925,855
Direct Plus Loans - Parent	1,000	\$14,571,112	1,605	\$57,788,842	0		0		2,605	\$72,359,954
Direct Plus Loans - Graduate/Professional	3	\$7,355	1	\$1,327	319	\$5,600,590	499	\$12,518,564	822	\$18,127,836
State aid	3,230	\$12,206,824	13	\$33,294	26	\$236,924	1	\$10,000	3,270	\$12,487,042
Institutional aid	5,962	\$32,833,026	4,921	\$35,070,890	379	\$4,218,144	871	\$9,410,870	12,133	\$81,532,930
Other aid	322	\$4,496,722	402	\$12,624,668	11	\$167,368	25	\$709,947	760	\$17,998,705
Unclassified	4,868	\$15,190,985	1,685	\$4,442,436	616	\$2,270,922	1,099	\$3,646,942	8,268	\$25,551,285
Total	8,327	\$121,798,563	6,154	\$128,457,669	859	\$22,793,262	1,586	\$40,292,818	16,926	\$313,342,312

Notes:

Student residency and level are based on first enrollment of academic year. Students may transition in residency and/or level, which may result in reporting anomalies, e.g. a graduate student receiving funding that is specific to undergraduate students, or a nonresident student receiving funding that is specific to Oregon residents.

Detailed distribution data does not sum to total 'Met Need' because these amounts have been capped so that paid aid does not exceed need for an individual student.



(S in millions, unless noted)	FY19	FY20	FY21	FY22	FY23	FY24 UO Request	FY24 President's Budget Request v FY23 Final	
	Final	Final	Final	Omnibus	Final	Recom mendati	PBR	% Change
Department of Education (L/HHS)								
Pell Grant								
Maximum Grant (in thousands)	\$6,195	\$6,345	\$6,495	\$6,895	\$7,395	\$13,000	\$8,215	11.1%
Discretionary Funding	\$22,475	\$22,475	\$22,475	\$22,475.0	\$22,475.4	<i>None at necessary</i>		0%
Student Aid Programs								
Federal Work Study	\$1,130	\$1,180	\$1,190	\$1,211	\$1,230	\$1,555	\$1,230	0%
SEOG	\$840	\$865	\$880	\$895	\$910	\$1,115	\$910	0%
TRIO	\$1,060	\$1,090	\$1,097	\$1,140	\$1,191	\$1,391	\$1,300	9.2%
GAANN - Graduate Assistance in Areas of National Need	\$23	\$23	\$23.5	\$23.5	\$23.5	\$35	\$23.5	0%
International Education Programs/Title VI (L/HHS)	\$72	\$76	\$78.0	\$81.7	\$85.7	\$173	\$85.7	0%
Institute of Education Sciences (L/HHS)	\$615	\$623.0	\$642.6	\$737	\$807.6	\$900	\$870.9	7.8%
National Institutes of Health (L/HHS)	\$39,100	\$41,684	\$42,934	\$45,184	\$47,500	\$50,924	\$48,260	1.7%
National Science Foundation (CJS)	\$8,075	\$8,278	\$8,487	\$8,838	\$9,539	\$11,900	\$11,314	18.6%
NASA (CJS)								
Science	\$6,906	\$7,139	\$7,301	\$7,614.4	\$7,795	\$9,000	\$8,260.8	6.0%
Aeronautics	\$725	\$784	\$828.7	\$880.7	\$935	\$1,000	\$995.8	6.5%
Space Technology	\$927	\$1,100	\$1,100	\$1,100	\$1,200	\$1,500	\$1,391.6	16%
Department of Agriculture (Ag)								
AFRI	\$415	\$425	\$435	\$445	\$455	\$550	\$550	21%
Department of Energy (Energy/Water)								
Office of Science	\$6,585	\$7,000	\$7,026	\$7,475	\$8,100	\$9,500	\$8,800	8.6%
ARPA-E	\$366	\$425	\$427	\$450	\$470	\$570	\$550	38.3%
Department of Defense (Defense)								
6.1 Basic Research	\$2,530	\$2,603	\$2,671	\$2,736	\$2,836.9	\$3,096	\$2,479.7	-13.4%
Science & Technology (S&T)	\$15,960	\$16,074	\$16,873	\$18,891	\$22,371	\$23,655	\$17,824.7	-20.3%
RDT&E Trauma Immunology	n/a	n/a	n/a	\$5	\$10	\$20	n/a	n/a
DARPA		\$3,458	\$3,501	\$3,870	\$4,061.2	\$4,307	\$4,388.4	8.1%
National Defense Education Program	\$136	\$144	\$137	\$145.2	\$174.3	\$184.5	\$159.5	-18.5%
Joint Fire Science Program (Interior/AG)	\$6	\$6	\$8	\$8	\$9	\$20	\$8	-11.2%
Natural Hazards, Earthquake Hazards (Interior)	\$88	\$85	\$85.4	\$90	\$92.7	\$85.4	\$102.3	10.9%
National Endowment for the Humanities (Interior)	\$155	\$162	\$167.5	\$180	\$207	\$225	\$211	1.9%

⁷ The Pell Grant Maximum increase is paid for through surplus funds

Federal Affairs Update:

Opportunities, Challenges and the 118th Congress

Betsy Boyd, Assoc VP, Federal Affairs
Professor Doug Toomey, Oregon Hazards Lab (OHAZ)



1

The Federal Interest In Higher Education

1862

The year the Morrill Act became law

270

Carnegie R1 and R2 universities

4,000

choices

- The Morrill Act of 1862 and the 1863 Act to Incorporate the National Academies of Sciences established the federal commitment to the research university.
- Post-World War II saw expanded research support and the development of a broad commitment to student aid with the passage of the GI Bill and later the Higher Education Act in 1965.
- About 270 institutions are classified as research universities.
- About 4,000 choices for students after high school from programs to doctoral-granting institutions.
- Student aid and funding for research are the heart of the partnership between universities and the federal government.

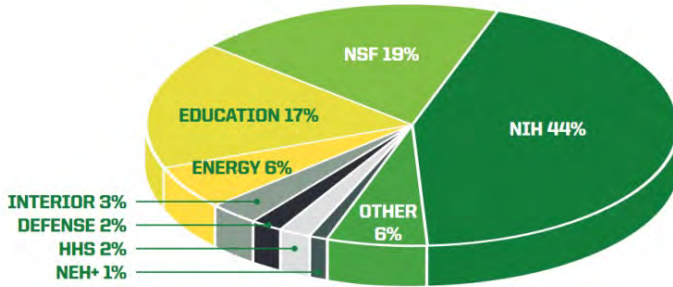


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The Federal Partnership at the University of Oregon

Federally Funded Research Awards 2021-22



Federally Funded Student Financial Aid

UO Federal student aid 2021-22

9,685 awards/\$175.9 million
4,474 Pell Grants/\$20.9 million

Five-year student aid look back

Approx. 10,000 awards/year
Approx. \$875 million



The Oregon Congressional Delegation

US Senator Ron Wyden
(D- Oregon)



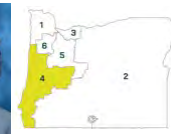
Congressman Cliff Bentz
(R-Oregon, 2nd District)



US Senator Jeff Merkley
(D - Oregon)



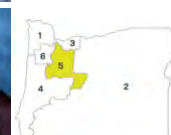
Congresswoman Val Hoyle
(D-Oregon, 4th District)



Congressman Earl Blumenauer
(D-Oregon, 3rd district)



Congresswoman Lori Chavez-DeRemer
(R-Oregon, 5th District)



Congresswoman Suzanne Bonamici
(D-Oregon, 1st District)



Congresswoman Andrea Salinas
(D-Oregon, 6th District)



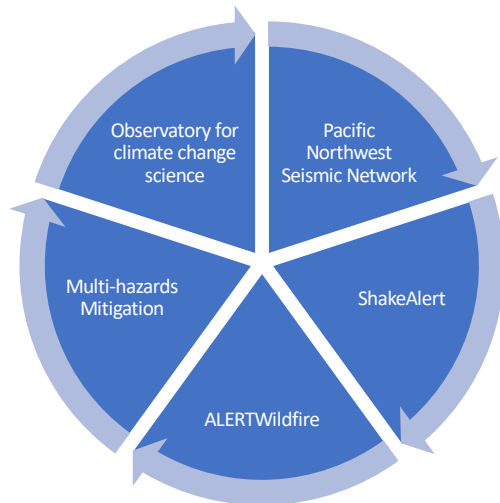
**Partnership Spotlight:
Oregon Hazards Lab**



5

Oregon Hazards Lab

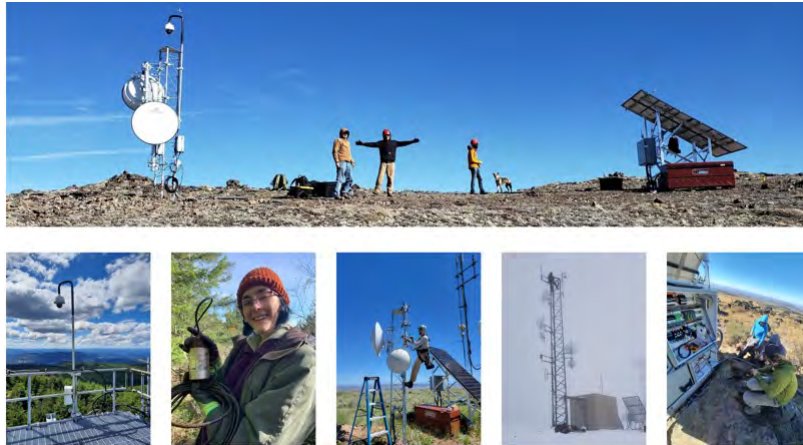
OHAZ uses science, technology, and community engagement to understand, detect, and mitigate multi-hazards within the PNW



ohaz.uoregon.edu

6

- The urgency of climate change is creating infrastructure to improve societal resilience
- That infrastructure is being used to advance scientific discovery and STEM education
- **Success enabled by working directly with government relations and policy makers**



7

What does success look like and require?

2014



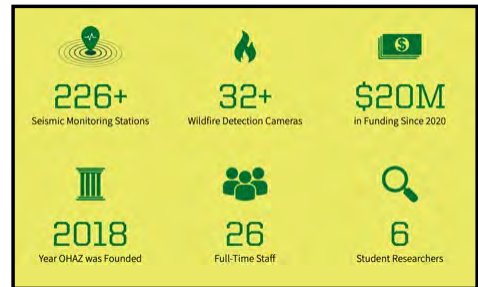
ERTH Faculty Briefing Congressman DeFazio, Representative Nathanson, and previous UO Administration

2016



White House Earthquake Resilience Summit

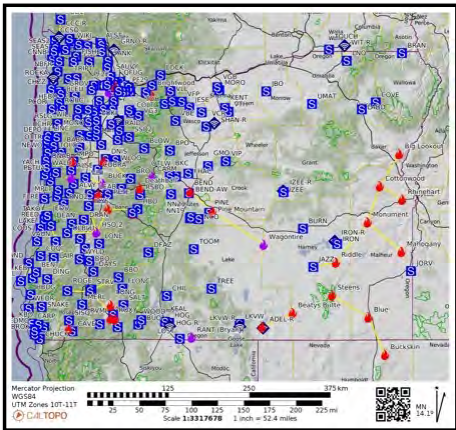
2023



OHAZ by the Numbers

8

A Real-Time Observatory for Climate Change Science



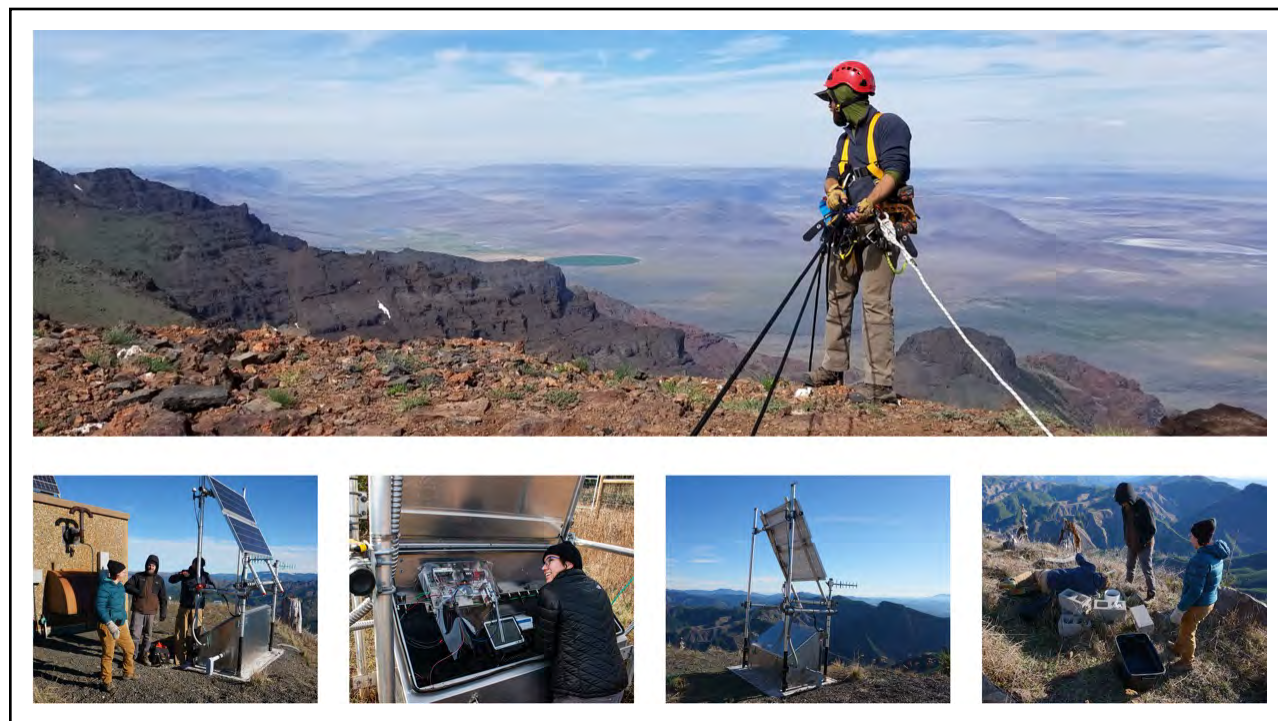
Points of Presence of our Real-Time Network



OHAZ is part of a national team building the end-to-end computing continuum for climate change science

- Our facility/infrastructure is attracting national partners (Northwestern, Argonne National Labs)
- UO faculty from EARTH, CIS, ENVIS, BIO will use facility
- An integral partner in national-scale physical and cyber infrastructure
- R1 Universities build and operate facilities that create partnerships and secure bigger awards

9



10

Let's advocate together.

Questions?



11

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Agenda Item #5

Board Leadership Elections

The bylaws of the University of Oregon (UO) establish officers for the Board of Trustees (Board), including a chair and vice chair. The bylaws further stipulate that terms for the chair and vice chair shall be three years (approximated based on the Board's meeting schedule). (See Section 5.a)

Current officers are Ginevra Ralph, chair, and Steve Holwerda, vice chair. Both were elected to their respective positions in May 2022.

With Chair Ralph stepping down from the board at the end of June, when her term on the Board concludes, trustees were asked to submit nominations for board chair, and vice chair in the event vice chair Holwerda was nominated for chair, by May 10th.

Trustees submitted nominations for Vice Chair Holwerda to assume the role of chair and Trustee Marcia Aaron to assume the role of vice chair. Vice Chair Holwerda and Trustee Aaron expressed interest in stepping into the roles for which they were nominated. No other nominations were received for either position.

The full Board will discuss this matter during its meeting on June 6th and will take action to approve new board leadership.

Board of Trustees of the University of Oregon

Resolution: Selection of Board Officers

WHEREAS, the bylaws of the University of Oregon (University) establish a chair and a vice chair of the board to serve as officers for the Board of Trustees (Board);

WHEREAS, the bylaws establish the board must select one of its members as Chair and another as Vice Chair;

WHEREAS, the current chair, Ginevra Ralph, is departing the board at the conclusion of her term on June 30th, thus precipitating the selection of new officers;

WHEREAS, trustees have nominated Vice Chair Steve Holwerda to serve as chair and Trustee Marcia Aaron to serve as vice chair, and both are willing to serve in their respective roles;

NOW, THEREFORE, the Board of Trustees of the University of Oregon elect Steve Holwerda as Board Chair and Marcia Aaron as Board Vice Chair, effective July 1, 2023.

Moved: _____ Seconded: _____

Trustee	Vote	Trustee	Vote
Aaron		Lo	
Boyle		Madison	
Evans Jackman		Moses	
Fick		Seeley	
Holwerda		Ralph	
Hornecker		Ulum	
Kari		Worden	

Dated: _____ Recorded: _____