

Attendance

Marcia Aaron	Present	Elisa Hornecker	Present	Andy Storment	Absent
Cy Abbott	Present	Ed Madison	Present	Amy Tykeson	Present
Tim Boyle	Present	David Mitrovčan Morgan	Present	Jenny Ulum	Present
Renee Evans Jackman	Present	Lillian Moses	Present	Ruby Wool	Present
Toya Fick	Present	Karl Scholz	Present	Dennis Worden	Present
Steve Holwerda	Present	Connie Seeley	Present		

Convening and Approval of Minutes. The Board of Trustees of the University of Oregon (Board) met on the Eugene campus December 2-3, 2025. Chair Steve Holwerda called the meeting to order on June 2nd at 11:00 a.m. Pacific Time. (All times noted going forward are Pacific Time). Holwerda commended Trustee Ruby Wool for a new magazine she helped develop. The Secretary verified attendance and a quorum. The Board approved the minutes from the March 17, 2025, Executive, Audit, and Governance Committee, March 17, 2025, Finance and Facilities Committee, and March 17, 2025, full Board meeting without amendment. The motion was moved by Trustee Ulum and seconded by Trustee Tykeson.

Creating a Flourishing Community: Enhancing Business Operations.

- **Enterprise Risk Management Update.** André Le Duc, Chief Resilience Officer and Vice President for Safety and Risk Services, presented on the UO's risk management and organizational resilience program. Le Duc highlighted three key elements: the higher education risk landscape is evolving rapidly, the UO has established a risk appetite statement, and the UO is implementing a new risk rating rubric to promote accountability and informed decision-making. Le Duc also discussed major risks facing the higher education sector and the UO's risk rating rubric. Trustees engaged in questions on, but not limited to, how the risk rubric and ratings are applied within different departments and how compliance is measured. Le Duc indicated he would bring an update on the implementation of the risk tolerance and action structure to the board at its December meeting.

Creating a Flourishing Community & Financial Foundation for the UO.

- **State Affairs Update.** Trent Lutz, Executive Director, Government and Community Relations and Associate Vice President, State Affairs, updated the board on legislative actions and major events coming up in Salem. Lutz indicated state economists recently flattened projections, meaning there will likely be fewer state funds available than previously expected. Lutz highlighted UO budget priorities, including the Public University Support Fund (PUSF), the Oregon Opportunity Grant, and capital funding for the Children's Behavioral Health Building in Portland. The UO is also pursuing programmatic funding for the Oregon Hazards Lab, Criminal Defense Clinics, Water Justice, and other UO initiatives. Lutz and CFO Jamie Moffitt provided additional details on how the PUSF is allocated to all of Oregon's state universities. Trustees engaged in questions on, but not limited to, growth in nondiscretionary sectors absorbing state funds leaving less for higher education when Oregon already ranks 46th in the nation for state funding per student for higher education, the importance of securing funding for the Children's Behavioral Health building, how trustees can

advocate for increased state funding, partnering with K-12 schools to meet the state's needs, and federal policy shifts.

Holwerda recessed the meeting at 12:13 p.m. and stated the Board would enter executive session for a review of collective bargaining. *(The executive session discussion regarding Identity and Access Management was tabled until the September 2025 board meeting).*

Executive Session Regarding Collective Bargaining.

The Board of Trustees met in executive session pursuant to ORS 192.660(2)(d) for purposes of conducting deliberations regarding labor negotiations. The session was closed to members of the public and the media.

Reconvene. Holwerda called the meeting back to order at 2:15 p.m. and the Secretary verified attendance and a quorum.

Pathways to Timely Graduation & Career Preparation.

- **Report from Academic & Student Affairs Committee (ASAC) Chair.** Trustee Hornecker reported on the ASAC meeting from May 21, which included discussion of a new template for academic program requests and the academic program request process. UO Provost Chris Long discussed new academic programs moving through the process at the moment but indicated the university's current budget challenges will require careful review of any new proposals.

Financial Foundation for the UO.

Holwerda indicated the UO had previously announced a projected recurring budget shortfall between \$25 and \$30 million per year, which had been a possible budget scenario that the Board had been discussing for the last few years each time the long term projection scenarios were reviewed. Holwerda stated the UO's budget is driven by enrollment, and when student deposits started coming in for next school year, they indicated a shortfall was imminent. Holwerda stated there will be a lot of work done over the summer to address the shortfall.

- **Quarterly Financial Report.** Jamie Moffitt, Senior Vice President for Finance and Administration and Brian Fox, Associate Vice President for Budget, Financial Analysis, and Data Analytics, began by describing the UO's quarter three (Q3) financial position. Moffitt indicated Q3 finished slightly better than the previous quarter but given the size of the institution's roughly \$700 million budget, a shift of \$1-2 million is normal, meaning Q3 finished fairly consistent with the previous quarter. Fox stated tuition and fee revenues remained on target, sales and services revenue increased \$0.5 million, personnel services costs reduced by \$2 million, and other small shifts resulted in Q3 year-end projections showing a shortfall of \$0.8 million, down from the \$2.8 million shortfall projected in quarter two. These projections result in a year-end fund balance for FY 25 of \$115.4 million, or 8.7 weeks of operating expenses. Scholz asked about certain state appropriations which Moffitt indicated were one-time appropriations that are restricted to their respective projects.
- **Quarterly Treasury Report.** Jeff Schumacher, Director of Treasury Operations, provided the quarterly treasury update by reviewing the university's cash and investment balances, which Schumacher indicated are approximately \$29 million above where the institution was at this point last year. Schumacher stated that during a recent review with one of the UO's rating agencies Moody's indicated concern regarding the university's cash liquidity. Schumacher described the

small increase in days cash on hand (103 days in FY 23 to 115 days in FY 24) was due to a reclassification of certain unrestricted plant funds based on discussions with Moody's. Schumacher continued that Moody's is concerned how the UO compares to peer institutions, with Moody's AA median for FY 23 being 189 days cash on hand, and Moody's A rating median being 168 days cash on hand (UO had 103 days cash on hand in FY 23). Schumacher provided data showing that in FY23 the UO had the third lowest days cash on hand of all public AAU institutions that have data available with Moody's, and was only 59 percent of the peer group median. Schumacher indicated days cash on hand isn't the sole measurement of an institution's financial health, but if it were to drop lower the UO could face a ratings downgrade. Holwerda asked what the effects of a downgrade would be. Schumacher stated we would be charged higher interest rates when accessing capital.

Trustee Ulum (microphone did not work during the question) asked a question about including UO Foundation funds in overall calculations of the UO's finances. Schumacher indicated it's common to include a university's foundation funds for overall financial positioning, but foundation funds are largely restricted. Holwerda raised the issue of the \$25-\$30 million budget deficit and asked how long the institution could cover its bills if it does nothing to address the deficit. Moffitt indicated when looking at the Education and General (E&G) fund (since other funds are largely restricted), the institution needs to make reductions because the existing fund balance cannot absorb a continual deficit without the balance eventually running out. Trustee Aaron asked Moffitt to explain why the UO endowment cannot be used to address the budget deficit. Moffitt answered that while the UO receives around a four percent annual distribution from the endowment that can be used to cover specific (mainly restricted) costs, the endowment corpus cannot be used since it is invested long term based on legal agreements with donors. Moffitt indicated there are other funds included in the cash and investment balances outside of E&G funds that are also legally restricted, such as proceeds from issuing tax-exempt debt, targeted gift funds, and grant funds.

- **E&G Fund Long Term Projections.** Jamie Moffitt, Senior Vice President for Finance and Administration and Brian Fox, Associate Vice President for Budget, Financial Analysis, and Data Analytics, reviewed various scenarios that projected the E&G fund balance out several years. Moffitt indicated the FY 25 E&G fund budget is projected to essentially finish run-rate even (as of Q3, a shortfall of \$0.8 million on a roughly \$700 million budget), but the fund is forecasted to move into a structural deficit in FY 26. Moffitt explained tuition and fee revenue (which makes up 77 percent of revenue into the fund) is projected to grow at 2.5 percent, while compensation and benefits costs (approximately 79 percent of expenses) are expected to grow at 7.1 percent. Holwerda asked if in the past enrollment growth has helped cover the shortfall caused by the growth rate of expenses outpacing the growth rate of tuition rates. Moffitt indicated that several factors have affected the university's financial position over the last several years, including growing resident enrollment, shifts upward and downward in nonresident enrollment, significant employee vacancies during the pandemic, and expenses now outpacing revenues. Trustee Fick pointed out that tuition and fee revenues comprising 77 percent of revenues is very high compared to other state institutions due to UO's very low level of state funding, and asked how the 7.1 percent expense rate growth compares to other institutions, Moffitt replied that is hard number to track given the wide variability of decisions different institutions make, but that UO's state mandated benefits costs are significantly higher than most institutions. Moffitt did indicate that many universities across the country and in Oregon are in similar positions of having to make budget reductions.

Fox indicated an FY 26 projected deficit of \$25.7 million, which would drop the UO's weeks of operating expenses from 8.7 weeks to 6.4 weeks. Fox described that while total enrollment has

been growing, the growth is coming primarily from resident students who pay a lower rate, meaning as the proportion of nonresident students shrinks, the UO's tuition and fee revenue will not increase as fast as it has in the past. Trustees asked about federal action to cap indirect cost recovery on research grants. Moffitt indicated that the exact impact will depend on where the federal government sets the cap, but that a 15 percent cap would significantly reduce UO's indirect cost recovery funds. Fox continued that expenses are growing largely due to compensation cost increases, mainly driven by recently signed labor contracts. Fox discussed projected FY 26 year-over-year growth rate by employee category, including increases of 7.6 percent for tenure-related employees, 3.7 percent for non-tenure related employees, 6 percent for administrative employees and 8.6 percent for classified employees, and shared that a 9 percent increase for benefits costs is expected. Trustees engaged in discussion on how these expenses are far outpacing UO revenue growth

Moffitt and Fox described various scenarios based on different tuition rates that show an ongoing structural deficit that will result in a negative E&G fund balance by FY 29 unless the UO takes action now to reduce expenditures. Moffitt also indicated ongoing federal action could also drastically affect the UO's bottom line.

- **Temporary FY 2026 Operating and Capital expenditure Authority (Action).** Jamie Moffitt, Senior Vice President for Finance and Administration and Brian Fox, Associate Vice President for Budget, Financial Analysis, and Data Analytics, described that each year board policy requires the board to approve an annual expenditure budget for operating and capital expenditures, and that the resolution being proposed at this meeting is a continuing resolution that will be revisited at the September board meeting for operating expenses due to the legislature still being in session and budgetary decisions that still need to be made. The full annual capital expenditure budget resolution is a permanent proposal for the year. Trustee Aaron highlighted the continuing operating expenditure budget resolution will be revisited in September because the board wants university leadership to be thoughtful in deciding budget reductions over the summer and that any budget reductions made may take 12 to 18 months to be fully implemented. Holwerda indicated budget reductions and competition for nonresident students is happening at universities across the country. Holwerda indicated the board would vote on the continuing operating expenditure authority, and the board expects university leadership to bring the full operating expenditure budget proposal back to the board at the September meeting.

Action – the resolution to approve a continuing operating budget for FY 26 and a \$213,500,000 capital budget for FY 26, as described in the meeting materials, was moved by Trustee Worden and seconded by Trustee Abbott. It passed with a unanimous voice vote.

Meeting Adjourned at 4:33 p.m.

Public Meeting – June 3, 2025

Convening. The Board continued its public meeting on the Eugene campus on June 3, 2025. Holwerda called the meeting to order at 9:00 a.m. The secretary verified attendance and a quorum. Holwerda acknowledged Trustees Fick, Madison, and Wool for their services to the board and the UO and indicated this would be their last meetings due to their terms concluding.

Officers of Administration (OA) Council. Jon Ambrose, OA Council, acknowledged the UO is facing various pressures and stated the OA Council appreciates the opportunity to work with the university to address these challenges. Ambrose indicated the OA council recently held elections for the council moving forward, is holding nominations for OA Stars, and thanked Scholz for a recent meeting with the council. Ambrose described professional development opportunities for OA's, praised the recent opening event at the UO Portland Campus, and acknowledged tough decisions are upcoming with budget reductions and encouraged decisionmakers to work together based on shared principles.

Campus Labor Organizations. Representatives from four campus labor organizations joined the table to jointly present updates as described below.

Graduate Teaching Fellows Federation (GTFF). Presence O'Neil, GTFF, expressed interest in greater financial transparency and shared governance due to the UO's budget challenges and federal actions, concerns over student code of conduct violations, and stated GTFF understands the reality of the financial challenges the UO faces due to drops in nonresident enrollment, slowing federal research investments, and increased employee wages causing expenses to outpace revenues. O'Neil expressed interest in advocating for more state funding in partnership with the board.

Service Employees International Union (SEIU). Chris Case, SEIU, expressed concern over classified employees being more vulnerable during budget reductions than other position categories, the safety of certain university vehicles, and the university's sound policy. Case indicated a willingness to work the UO administration so long as it is based on respect.

UO Student Workers (UOSW). Victoria Robinson, UOSW, discussed the recent UOSW strike and concerns over the bargaining process. Robinson indicated UOSW wants to see the UO thrive and will continue advocating for student workers, including advocating for student workers in Salem.

United Academics (UA). Maram Epstein and Ed Davis, UA, presented an update from UA. Epstein highlighted some of the benefits of being at a state university and thanked Trustees for fundraising efforts in support of the UO's academic mission but indicated more work needs to be done. Epstein indicated labor unions on campus are united and are working together to advance the institution. Epstein continued that housing prices are becoming unaffordable in Eugene, expressed concern over layoffs to address budget challenges, and called for more financial transparency. Holwerda asked Epstein to provide an example of the administration lacking transparency. Epstein responded that while they have insight into the E&G Fund, UA does not understand how that fits into the UO's larger budget decisions. O'Neil indicated appreciation for the open board meetings, and stated workers get various answers from different administrators regarding budget reductions. Holwerda indicated that UO athletic coaching contracts are set by the market and highlighted that UO athletics do not receive funding from the UO academic enterprise. Holwerda indicated everyone in room wants the UO to be successful despite differences and disagreements.

Holwerda recessed the meeting at 9:39 a.m. for a short break.

Holwerda reconvened the meeting at 9:43 a.m.

Public Comment:

- *Skyla Bird – student, thermal transition*
- *Curtis Blankinship – citizen, thermal transition*
- *David Igl – citizen, Dunn Hall*
- *Jack Dodson – student, thermal transition*
- *Jason Sydes – faculty, conflict in the Middle East*
- *Ashton Pressman – student, university operations*
- *Leslie Selcer – faculty, UO finances*
- *Morgan Clemmer – student, thermal transition*
- *Emily Beatty – graduate employee, UO finances*
- *Kerrie Minicucci – citizen, Jeffrey Epstein*
- *Maya Feldman-Dragich – student, free speech*
- *Phia Dornberg – student, conflict in the Middle East*
- *Jack Kemp – staff, KUGN radio*
- *Efron Chudacoff – student, social climate*
- *Sadie Zager – student, social issues*

Holwerda recessed the meeting for a 15-minute break at 10:30 a.m.

Holwerda reconvened the meeting at 10:45 a.m.

Provost's Report. Senior Vice President and University Provost Chris Long welcomed the Board to campus and provided updates on federal action regarding higher education, ongoing discussions regarding UO budget reductions, and efforts to increase enrollment of transfer students. Long expressed gratitude to various members of the UO community to work together based upon shared values. Holwerda asked Long to provide a highlight from his first year as UO Provost and to indicate what he thinks most of his time will be spent on over the next year. Long indicated the people of the UO community have been his highlight, even during a difficult year, and that he will be focused on building connections and creating opportunities to work together on campus. Trustee Fick asked additional questions on the UO's work regarding transfer students and Long described the UO's partnership with Lane Community College and other ongoing work. Trustees engaged in additional discussion on but not limited to the UO's online offerings.

University Senate. Alison Schmitke, UO Senate President, indicated this would be her last board meeting as Senate President and that Dyana Mason is the incoming Senate President. Schmitke indicated the Senate continues to work as a shared governance partner, including a recent report on ethical investing and purchasing and the revitalization of the Senate Budget Committee. Holwerda asked how this year has been for Schmitke, Schmitke indicated it was a challenging year but felt prepared and feels the people of UO provide strength

President's Report. Karl Scholz, UO President, thanked the University Senate for their work and discussed ongoing efforts to address the UO's projected budget deficit. Scholz indicated university leadership would work over the summer with academic and administrative leaders to develop approaches to meet the targets of 4 percent on average cuts to administrative units and 2.5 percent on

average cuts across academic units, in addition to the changes required for units to meet existing budget targets. Scholz indicated plans will protect the UO's mission, long term goals, and legal and contractual obligations. Scholz stated it is his expectation to complete reduction plans and begin implementation by the start of the Fall term. Scholz thanked the outgoing College of Education Dean Laura Lee McIntyre who is departing to become Provost at the Michigan State University and thanked outgoing Trustees for their service. Scholz described advancements of the strategic plan by each of the four goals, and thanked trustees, faculty, students and staff for their work throughout the academic year. Scholz concluded by emphasizing that the work of the UO and all higher education is precious, organized around the promotion and discovery of truth, based in science, reason, and understanding of what it means to be human.

Board Chair's Report. Holwerda stated it is not the Board's job the run the university, that responsibility is on the UO President and the leadership team, and that the board's job is to oversee the UO's budget and to oversee the UO President's performance. Holwerda indicated there are \$25-\$30 million in budget cuts that will be made, which will be painful, but it is the Trustees' responsibility to ensure the UO is better positioned 10 years from now and beyond. Holwerda indicated one of Scholz's biggest accomplishments during his tenure is building a high-quality team that is poised to address the budget challenges. Holwerda indicated the UO's brand is strong and that the UO will only get stronger moving forward.

Associated Students of the University of Oregon (ASUO). Mariam Hassan, ASUO President, highlighted accomplishments of ASUO over the last several months, including a recent event at a Eugene Emeralds game and assisting students during emergencies. Hassan indicated serving as ASUO President proved to be very difficult given the complexities of a public university and encouraged future leaders to offer grace in their roles. Incoming ASUO President, Prissila Moreno, provided her background coming into the role and described the student power campaign which she ran on, including representing student interests to the administration. Moreno discussed several goals for ASUO moving into the next academic year and indicated a desire to partner with university leadership based on respect and a shared understanding that student voices should be considered in university decisions.

Closing Statements. Fick expressed gratitude serving on the board over the last four years and thanked everyone for their support.

Meeting Adjourned at 11:46 a.m.