

November 29, 2017

- TO: The Board of Trustees of the University of Oregon
- FR: Angela Wilhelms, Secretary of the University
- RE: Notice of Board Meeting

The Board of Trustees of the University of Oregon will hold a meeting on the date and at the location set forth below. Topics at the meeting will include: seconded motions from committees, standing reports, an overview of the upcoming tuition-setting process, the Knight Campus for Accelerating Scientific Impact, a discussion about academic excellence metrics, an annual research report, a presentation and discussion regarding the Environmental Humanities, and recent recommendations by a gubernatorial task force regarding the PERS liability.

The meeting will occur as follows:

Friday, December 8, 2017 – 8:00 a.m. Ford Alumni Center, Giustina Ballroom

The meeting will be webcast, with a link available at <u>www.trustees.uoregon.edu/meetings</u>.

The Ford Alumni Center is located at 1720 East 13th Avenue, Eugene, Oregon. If special accommodations are required, please contact Jennifer La Belle at (541) 346-3166 at least 72 hours in advance.

BOARD OF TRUSTEES

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

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Board of Trustees Meeting Agenda | December 8, 2017 Ford Alumni Center Giustina Ballroom

FRIDAY, DECEMBER 8 – 8:00 a.m.: Convene Public Meeting

- Call to order, roll call, verification of quorum
- Approval of September and October 2017 minutes (Action)
- Public comment

1. Standing Reports

-ASUO President Amy Schenk -University Senate President Chris Sinclair -Provost Jayanth Banavar -President Michael Schill

- 2. Seconded Motions and Resolutions from Committee (pending Dec. 7 committee action) --Seconded Motion from FFC: Athletics Multi-Sport Apparel Agreement --Seconded Motion from FFC: Updated Capital Project Budgets (Tykeson Hall)
- **3.** Tuition-Setting Process and Analysis Components: Jamie Moffitt, Vice President for Finance and Administration; Brad Shelton, Executive Vice Provost
- 4. Governor's Task Force on the PERS Liability Recommendations Affecting Universities: Nik Blosser, Chief of Staff, Office of Governor Kate Brown
- 5. Knight Campus Leadership and Governance: Michael Schill, President; Patrick Phillips, Acting Director
- 6. Research and Innovation Annual Report: David Conover, Vice President for Research and Innovation
- 7. Academic Area in Focus The Environmental Humanities: Stephanie Le Menager, Professor of English and Environmental Studies; Marsha Weisiger, Associate Professor of History
- 8. Academic Excellence How Do We Define and Measure It? Jayanth Banavar, Provost; Scott Pratt, Executive Vice Provost; Brad Shelton, Executive Vice Provost

Meeting Adjourned

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Agenda Item #1

Standing Reports (Printed Versions)



ASUO Statement

Board of Trustees, December 2017



Dear University of Oregon Board of Trustees,

I hope the last few months have treated you all well. I have enjoyed getting to know each of you as members of this Board, and fill you in on projects that I am currently working on. I write to you all to give you a glimpse into the progress of ASUO and the events and programming myself and my amazing team have been able to achieve over the academic term.

Fall Term has been filled with many twists and turns, and I am learning quickly that strong leadership and a supportive team can get one through almost anything. As a student, I am continuing my research for my Honors College thesis while making time to further explore my major. In addition, I am applying to programs post-graduation, and looking forward to potentially getting a position in the coming months.

Within ASUO, this term has been a learning process, one that I would not change for anything. My ASUO Executive Cabinet and my ASUO Executive Core teams are remarkable in their advocacy and tenacity to create change here on this campus. Through planning oncampus statewide conferences and connecting with community partners, to simply working each day with students and fostering their leadership through our ASUO Internship program, our team here at ASUO is truly amazing. I am rewarded each day as I get to get to know my team better, brainstorm on how to best serve students, and foster sustainable growth among this organization.

In this report, I have outlined the variety of activities, programs, and events ASUO was successfully able to achieve this term. The updates are broken down by our three main campaigns, Food Security, Tuition and Affordability, and Transparency, with more detail on specific projects and achievements underneath those sections.



I am humbled to share with each of you, members of the University of Oregon Board of Trustees, these updates. I am hoping that this provides you a glimpse into what myself and my team have already accomplished this year and the much larger amount of work that we intend to take on in the upcoming Winter Term of 2018. In addition, I am eager to continue getting to know each of you, and how ASUO and the UO Board of Trustees can work together to truly make a great impact on campus and provide for the UO Community.

Thank you all for taking the time to read the updates in the following pages, and as always, please do not hesitate to reach out to me with any questions or concerns you might have. I look forward to the rest of the year working with this Board, and the great projects I believe we are able to achieve moving forward.

Sincerely,

President Amy Schenk Associated Students of the University of Oregon President



Food Security

Recently, a local charity called Burrito Brigade approached the ASUO because they wanted to reach more students and communities on campus. Burrito Brigade's mission is to fight food insecurity and feed hungry people by handing out vegan burritos to people in the Eugene area. Together, ASUO and Burrito Brigade have created Quack Wraps, which occurs every weekend of the academic term. On Saturdays and Sundays, ASUO volunteers meet Burrito Brigade volunteers to help make and hand out 100 burritos (50 each day) on campus. So far, Quack Wraps has handed out over 200 burritos and we plan on increasing our capacity for future terms by inviting students outside ASUO to volunteer with the program.





We have also created food security task forces with members of the administration, based on the topics of a food pantry, food drives, and fundraising. We also have an on-campus dining task force that is working to address affordability issues with on-campus dining and ways to create a subsidized plan for meal points or campus cash that students can sign up for.

Our team is also taking steps to host a food pantry on campus so that students suffering from food insecurity can more easily access resources. We are working with a local church and its reverend, Doug, to move the current food pantry from its location at the church to a space on campus.

Coming up, we are planning an event called Oregon Hunger Task Force Programming Day for January 2018. This is a full workshop day we are planning with the Oregon Hunger Task force to talk about Food Security at UO on a larger scale. This day will include two large panel sessions, a tour of the current food pantry, and a collaboration cafe that is designed to get participants to talk and assess where our University is at with Food Security and where we want to be. This event will be open to all students, and we are inviting faculty, community members, state organizations, and local, state, and federal representatives.



Transparency

A broad campaign, the aim of "transparency" is to educate students and campus groups about the mission of the ASUO, the budget process, the resources the ASUO provides to students, and the ways that students can get more involved with the ASUO.

Our current Internal Vice President, Tess Mor, is working to set up tabling and class wraps at the beginning of winter term to introduce herself to a wider variety of students and begin sharing important information as the budget season gets closer. Through tabling and class wraps, we hope to get more students interested in the budget process and provide them with the basic information necessary to understand the many important dates that will be occurring throughout the winter term.

Our Communications Director and creative team want to design graphics to share with students, and our Grad Student Advocate is developing a "Five Things to Know About Budget Season" one-pager.

We are also setting up press releases and articles for the Daily Emerald that highlight specific and relevant components of the budget and break down the issues so students can learn more about the process while it is occurring, instead of being surprised by the results.

This winter, we hope to hold a town hall with various student groups to discuss and answer questions about the budget as well as make the ASUO more approachable and relatable to the many students that the organization represents. In addition, we are partnering with KWVA to produce a podcast about the ASUO and the budget.



Throughout the fall term, we focused on working on with the Tuition and Fees Advisory Board (TFAB) and working to get the information presented at the meetings to the larger student body. We currently are working on augmenting TFAB Rules of Procedure to enhance transparency of the Board to students, and working to create a Student Forum in January to reach out to students to hear their thoughts about the way that tuition affects their education and daily lives on campus. We anticipate a busier winter term and plan to hold a student forum for tuition in January.

ASUO

Other Updates

On November 9, our Sexual and Mental Health Advocate coordinated the annual UO Campus Night Walk. There were about 25 attendees who split into groups of four and walked around different areas of campus to see which areas need safety improvements. They found that many of the paths marked "lighted" on the campus map were not actually lit, several cracked sidewalks, and overgrown plant life. During winter term, ASUO would like to follow up on these issues.

The weekend of November 17-19, we hosted the Oregon Students of Color Conference. It was very successful and a great experience for our External Vice President and myself.

On Tuesday, November 21, our Internal Vice President hosted a First Shooter Response training with the UO Police Department to receive feedback on how UOPD can improve the training. We plan to host a larger-scale event after taking the feedback into account.

We have held training for the ASUO Executive members, such as Grassroots Organizing Weekend (GROW) to learn about tools like backwards planning, a strategy that the team implements to help them achieve campaign and professional goals.

Signed:

- Amy Schenk ASUO President
- Tess Mor ASUO Vice President of Internal Affairs
- Vickie Gimm ASUO Vice President of External Affairs
- Carter Fritsch ASUO Policy Advisor
- William Iversen Chief of Staff
- Zachary Rentschler Finance Director
- Avery Scofield Communications Director





Board of Trustees Statement

Agenda Item #2

Seconded Motions from Committee



MULTI-SPORT APPAREL AGREEMENT

Summary of Requested Action

This resolution will come before the full Board of Trustees pending a recommendation from the Finance and Facilities Committee during the committee's December 7 meeting.

Background

The University of Oregon's ("UO") Department of Intercollegiate Athletics ("Athletics") has a long-standing multi-sport apparel agreement with Nike, Inc. ("Nike"). The agreement contains a variety of provisions relating to product allotments, branding and marketing partnership and royalties.

The current agreement is set to expire on June 30, 2018, the end of this fiscal year. The UO and Nike have reached agreement on a new agreement that will last through May 31, 2028 and which contains some modified terms from the current agreement with an effective date of July 1, 2017. A summary of key provisions is below; the proposed agreement is attached in full.

Board Approval

Board of Trustees' approval is sought in accordance with the UO's delegation of authority policy, requiring Board approval for contracts where the anticipated value to the university exceeds \$5,000,000.

Key Provisions Contract Term:	July 1, 2017 through May 31, 2028 (11 year agreement)
Internships:	Two guaranteed summer internships for UO students (previously one)
Licensing Royalties:	Royalty rate increases from 12% to 15%; royalty rate for footwear remains at 5% (Note: royalties are split 50/50 between Athletics and Central Administration)
Signing Bonus:	\$3,000,000

Annual Guarantees:

	Cash	Product Allotment
2017-18	\$2,000,000	\$5,000,000
2018-19	\$2,000,000	\$5,100,000
2019-20	\$2,000,000	\$5,200,000
2020-21	\$2,000,000	\$5,300,000
2021-22	\$2,000,000	\$5,400,000
2022-23	\$2,000,000	\$5,500,000
2023-24	\$2,500,000	\$5,600,000
2024-25	\$2,500,000	\$5,700,000
2025-26	\$2,500,000	\$5,800,000
2026-27	\$2,500,000	\$5,900,000
2027-28	\$2,500,000	\$6,000,000

UO/Nike Multi-Sport Apparel Agreement Summary of Requested Action Page 1 of 1

Board of Trustees of the University of Oregon

Seconded Motion: Approval of Multi-Sport Apparel Agreement for Oregon Athletics

Whereas, the University of Oregon Department of Intercollegiate Athletics (Oregon Athletics) wishes to extend its multi-sport apparel agreement ("Agreement") with Nike, Inc. ("Nike"), currently set to expire on June 30, 2018;

Whereas, the proposed agreement (attached hereto as Exhibit A) is for a period of eleven (11) years, through May 31, 2028, and stipulates certain cash distributions and product allotments from Nike to Oregon Athletics effective July 1, 2017;

Whereas, such agreements provide revenue to Oregon Athletics to help offset the cost of the institution's intercollegiate athletics program; provide product allotments for all intercollegiate sports, thus alleviating expense burdens on individual programs; and provide the University of Oregon with additional cash revenues due to an agreement to share royalty payments equally between Oregon Athletics and the UO's central administration;

Whereas ORS 352.087(c) authorizes the Board of Trustees of the University of Oregon ("Board") to make any and all contracts and agreements it deems necessary or appropriate;

Whereas, section 1.7.8 of the University's Policy on the Retention and Delegation of Authority requires Board approval of the execution of an instrument where anticipated value to the University of Oregon exceeds \$5 million, which this agreement does; and,

Whereas, the Finance and Facilities Committee has referred this matter to the Board as a seconded motion, recommending passage.

NOW, THEREFORE, the Board of Trustees hereby authorizes the President, or his designee(s), to enter into the multi-sport apparel agreement between Oregon Athletics and Nike attached hereto as Exhibit A. The Board of Trustees also hereby ratifies all prior actions taken on behalf of the University related to the negotiation and execution of the aforementioned agreement.

NAME	VOTE	NAME	VOTE	NAME	VOTE
Ballmer		Ford		Murray	
Bragdon		Gonyea		Paustian	
Chapa		Kari		Ralph	
Colas		Lillis		Wilcox	
Curry		McIntyre			

Record here if no roll call vote was taken:

Dated: _____ Recorded: _____

Board of Trustees Multi-Sport Apparel Agreement December 8, 2016 Page 1 Exhibit A

Exhibit A (the Agreement) has been added as a supplemental document at the end of this packet (updated 11/30/17).



TYKESON HALL – BUDGET REAUTHORIZATION

Summary of Requested Action

This resolution will come before the full Board of Trustees pending a recommendation from the Finance and Facilities Committee during the committee's December 7 meeting.

Background

On September 11, 2015, the Board of Trustees approved a handful of capital projects, including the construction of Tykeson Hall (then-called the College and Careers Building) at an initial budget of \$34.55 million.

In the fall of 2015, the Board's approval process occurred very early in the capital planning process. Budget estimates were based on very early and, thus, incomplete information, which sometimes led to significant budget changes after projects received board approval. To reduce this budget risk going forward, the modified and current practice is for Board consideration to occur *after* initial design, planning, and assessments to ensure a more complete and accurate project scope and budget.

Since its approval in September 2015, a decision was made to increase the scope of the Tykeson Hall project to include an entire additional floor. This understandably increased the project's estimated budget. Slight changes in market conditions also increased the project's budget once official estimates were obtained.

The revised budget is now \$45.55 million, an increase of \$11 million - \$8.2 million from the additional floor (basement) and \$2.8 million due to market conditions. These additional costs will be covered by existing revenue bond proceeds and additional fundraising.

A more detailed project report is attached.

Requested Action

The Board's original delegation of authority policy, in effect for these approvals, required capital projects to return to the Board for approval if the anticipated budget grew to \$5 million more than originally approved. Therefore, Board approval of this revised budget (\$45.55 million) for the construction of Tykeson Hall is requested.



Tykeson Hall Board of Trustees December 2017

PROJECT HISTORY | PROPOSED CHANGES | CURRENT STATUS

Location

Tykeson Hall will be situated in the heart of campus, near the Memorial Quadrangle and between Chapman Hall and Johnson Hall. Two central east-west axes further define the site: the 13th Avenue Axis lies to its immediate north and directly to the south is the Johnson Lane Axis.

Building Use

Tykeson Hall will be the University of Oregon's center for integrating academic study, academic advising, and career support services, making it a hub for both academic success and for success beyond the University. The College of Arts and Sciences (CAS), the Career Center, Equity and Inclusion, and Undergraduate Studies will reside in the new building.

Original BOT Approval

At its September 2015 session, the Board of Trustees approved funding and construction of the UO's *College and Careers Building* (officially named *Tykeson Hall* at the December 2015 BOT meeting). At the time of approval Tykeson was envisioned as a 50,000square-foot, four-story building intended to serve as the home of CAS Administration and the Career Center. Additionally, it would house a number of classrooms. The original project budget was established at \$34.55M.

Proposed Changes for this BOT Consideration

To take advantage of the building's central campus location, the university would like to add a finished basement, which would increase the overall building size from 50,000 to 64,000 gross square feet. This increase would allow the incorporation of Equity and Inclusion and Undergraduate Studies. The former also includes the Center on Diversity and Community (CoDaC), and the latter includes the Teaching Effectiveness Program (TEP), and the Center for Undergraduate Research and Engagement (CURE).

Proposed Budget Change

The budget is proposed to increase from \$34.55M to \$45.55M; the additional \$11M, which would be covered through increased fundraising as well as Revenue Bonds, is attributed to the following:

- The Basement Addition \$8.2M
- Market Conditions \$2.8M

Current Project Status

The project has just entered the Construction Documents design phase and is slated to start construction this December. Detailed estimates performed by both the CMGC and our third-party estimator have been reconciled to the current budget.





Project Type: New Building

Uses: Student Support, College of Arts and Sciences Administration, Student Advising, Career Center, Equity and Inclusion, Undergraduate Studies

Square Footage: 64,000

Previous BOT Approved Budget: \$34.55 Million

Current Projected Budget: \$45.55 Million

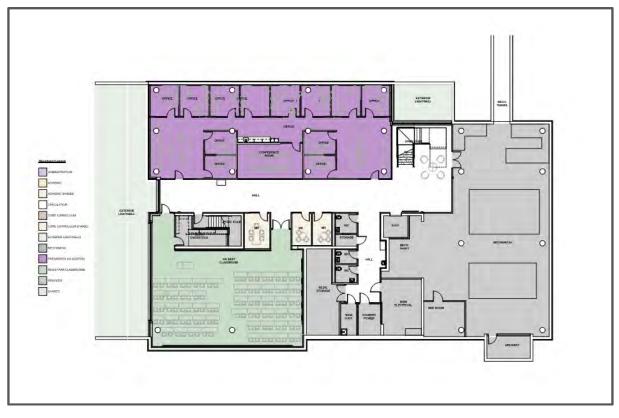
Funding Source(s):

\$22,149,100 Gifts\$6,398,900 Revenue Bonds\$17,000,000 State G Bonds

Grand Opening: Fall 2019

FLOOR PLANS

Basement



1st Floor



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4th Floor



South Elevation



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Board of Trustees of the University of Oregon

Seconded Motion: Budget Adjustments – Tykeson Hall Capital Project

Whereas, the Board of Trustees ("Board") authorized a capital construction project to build a college and careers building, now officially named Tykeson Hall, for a project cost of \$34.55 million on September 11, 2015;

Whereas, estimates for this project are now \$45.55 million, which exceeds the allowable threshold (\$5 million) per the Board's delegation of authority at that time, and the University must receive Board approval to expend additional resources at this level;

Whereas, project managers and senior administrators—including the President, Provost, CFO, and AVP for Campus Planning and Facilities Management-believe this increased cost estimate is necessary and is not excessive;

Whereas, increased costs for Tykeson Hall, detailed in materials provided to the Board accompanying this resolution, are primarily related to the addition of an entire floor to the original project design, allowing for greater synergies in office placement and improved building efficiencies; and,

Whereas, the Finance and Facilities Committee has referred this matter to the Board as a seconded motion, recommending passage.

NOW THEREFORE, the Board of Trustees of the University of Oregon hereby authorizes a new budget of \$45.55 million for the construction of Tykeson Hall (also referred to as the College and Careers Building), originally approved on September 11, 2015; hereby ratifies all prior actions and decisions related to the updated project scope and budget; and, hereby authorizes the President or his designee(s) to take all actions necessary and proper to execute this decision.

NAME	VOTE	NAME	VOTE	NAME	VOTE
Ballmer		Ford		Murray	
Bragdon		Gonyea		Paustian	
Chapa		Kari		Ralph	
Colas		Lillis		Wilcox	
Curry		McIntyre			

Record here if no roll call vote was taken:

Dated: Recorded:

Agenda Item #3

Tuition-Setting Process and Analysis

Draft Tuition- and Fee-Setting Process Schedule Overview of Anticipated Timelines

The **Tuition and Fees Advisory Board (TFAB)** is advisory to the provost on matters related to tuition- and fee-setting for the University of Oregon. Appointments to the TFAB are made in the fall by the provost and include students, faculty, staff, and administrators. The TFAB produces an annual report for the provost during winter term with recommendations on tuition and fees that should be charged in the subsequent academic year. The provost and president then confer, solicit feedback from campus, and bring a final recommendation to the Board of Trustees for ultimate approval. Below is the proposed schedule for completing this process during Academic Year (AY) 2017-2018 for the tuition and fees that would be charged for AY 2018-2019.

TFAB – Meeting occurred - October 11th, 2017

- Introductions
- Charge to group
- Calendar
- Comparative / Historical data analysis
- Background UO Budget Information

TFAB – Meeting occurred - November 8th, 2017

- Background UO Budget Information (Continuation)
- Presentation on Size of Campus Considerations and Analysis

TFAB – Meeting occurred - November 13th, 2017

- Presentation on Size of Campus Considerations and Analysis (continuation)
- Comparative state funding analysis
- FY19 E&G Fund Cost Drivers Analysis
- Undergraduate Tuition Calculator
- Planning for Student Forums & meetings with Student Groups

Student Forum & Meetings with Student Groups – Early January

- Comparative / historical data
- UO Budget information
- FY19 Cost Drivers
- Tuition calculator
- Table discussions

TFAB Meeting: Week of January 8 (90 Minutes)

- Feedback from Student Forum and meetings
- Undergraduate tuition
- Graduate tuition proposals
- Potential Differential Tuition

TFAB Meeting: Week of January 15 (90 Minutes)

- Feedback from Student Meetings
- Undergraduate tuition
- EMU fee, Rec Center fee, health and counseling fee
- Fee structure for students not on Eugene Campus

TFAB Meeting: Week of January 22 (90 Minutes)

- Feedback from Student Meetings
- Undergraduate tuition
- Course fees

TFAB Meeting: Week of January 29 (90 Minutes)

- Undergraduate tuition
- Any follow up issues on other topics

TFAB Meeting: Week of February 5 (90 minutes if needed)

- Undergraduate tuition
- Finalize all recommendations

Student Forum - Early / Mid February

• Provost led – focused on tuition increases

Presidential Review & Feedback - Mid February

• President posts recommendations on website & reviews feedback

Summary – Major FY2019 E&G Fund Cost Drivers

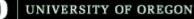
Cost Driver	FY18 Cost Increase	FY19 Cost Increase
Faculty and Staff Salary and Wages	\$11.0 million	\$9.8 million
GE Salary and Benefits	\$800K	\$1.0 million
Medical Costs	\$1.6 million	\$1.8 million
Retirement Costs	\$7.1 million	n/a
Institutional Expenses	\$1.0 million	\$600K
Strategic Investments (includes \$1 million for new faculty)	\$2.0 million**	\$2.0 million
Investments in Tenure Track Faculty	\$1.5 million	\$1.5 million
Total Projected Cost Increases	\$25.0 million*	\$16.7 million*

*Does not include, increases to minimum wage, costs related to federal FLSA regulations changes regarding eligibility for overtime pay, further investments in diversity initiatives, or individual school/college/department investments. **Reduced to \$1 million due to FY18 budget cuts

Summary – Major FY2019 E&G Fund Cost Drivers

Cost Driver	FY19 Cost Increase	Notes
Faculty and Staff Salary and Wages	\$9.8 million	Increases per collective bargaining agreements for approximately 1700 faculty and 900 classified staff. Also includes increases for approximately 1200 unrepresented staff.
GE Salary and Benefits	\$1.0 million	Estimate based on collective bargaining agreement for GEs; includes estimate of health insurance cost increases
Medical Costs	\$1.8 million	Assumed annual increase of 3.7%
Institutional Expenses \$600K Increase buildings		PERS rates only increase every two years
		Increases related to utilities, insurance, debt for academic buildings, assessments, and leases. Lower than normal annual increase due to Power Station savings.
		Allocated via strategic investment process. \$1 million pre- committed for tenure track faculty hiring related to Cluster Hires.
Investments in Tenure\$1.5 millionSupporting long term strategic plateTrack Facultytenure track faculty		Supporting long term strategic plan to increase number of tenure track faculty
Total Projected Cost Increases	\$16.7 million*	

*Does not include, increases to minimum wage, costs related to federal FLSA regulations changes regarding eligibility for overtime pay; further investments in diversity initiatives, or individual school/college/department investments.



Summary – Major FY2019 E&G Fund Cost Drivers

Cost Driver	FY18 Base	FY19 Cost Increase	FY19 % increase
Faculty and Staff Salary and Wages	\$361.1 million	\$9.8 million	2.7%
GE Salary and Benefits	\$26.2 million	\$1.0 million	3.8%
Medical Costs	\$48.7 million	\$1.8 million	3.7%
Retirement Costs	\$52.5 million	n/a	n/a
Institutional Expenses	\$34.9 million	\$600K	1.7%
Strategic Investments (includes \$1 million for new faculty)	\$524.9 million	\$2.0 million	0.4%
Investments in Tenure Track Faculty (includes salary and OPE)	\$156.6 million	\$1.5 million	1.0%
Totals	\$524.9 million	\$16.7 million	3.18%



Agenda Item #4

PERS Task Force



Nik Blosser, Chief of Staff to Governor Kate Brown, has been active in both business and public policy in Oregon for more than 20 years. He grew up on his family's farm in Yamhill County and attended schools in the Dayton School District. He went on to Stanford University to earn bachelor's degrees in aeronautical engineering and English.

In 2000, he co-founded and served as CEO of Celilo Group Media, a leading voice promoting sustainable business in the Western U.S. He co-founded the Oregon Business Association and served as Co-Chair of the Economic Development and Environment Committee, Executive Committee, and Chair.

In addition, he has served on the boards of the Regional Arts and Culture Council, the Oregon Parks and Recreation Commission, the Oregon Environmental Council and the Oregon League of Conservation Voters. He continues to serve on the board of Sokol Blosser Winery, the family business founded by his parents, Susan Sokol and Bill Blosser, who were pioneers in the Oregon wine industry.

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PERS UAL TASK FORCE

Summary of Agenda Item

Governor Kate Brown convened the PERS Unfunded Actuarial Liability (UAL) Task Force earlier this year to "identify opportunities to pay up to an additional \$5 billion of the Public Employee Retirement System's (PERS) UAL over the next five years." Reducing the UAL may limit future rate increases on PERS employers, such as the University of Oregon.

Specifically, the Task Force was asked to consider "(1) assets that could be monetized, (2) one-time funding streams that could be redirected, (3) capital from other accounts that could be invested or loaned, and (4) ways to leverage similar funds from other PERS employers."¹ The Governor instructed Task Force members to leave no stone unturned. Her only caveat was that it not consider privatization of prisons and forests. The report was structured in such a way that each policy recommendation was paired with an estimate (sometimes unknown) of the funds it could raise to be put toward reducing the UAL.

The Task Force released its final report on November 1, 2017. Certain policy recommendations in this final report directly or indirectly impact higher education. Time is dedicated at the December 8 Board of Trustees meeting to help trustees better understand these concepts, the ramifications thereof, and current status of any policy proposals. Joining trustees will be Nik Blosser, Governor Brown's chief of staff.

Since the report's release, much work has been done by a working group of VPFAs and general counsels representing the seven public universities. The goal of this group, which has been working in coordination with the Governor's office, is to (1) ensure that Governor Brown and policy makers fully understand the consequences of various recommendations, particularly unintended, and (2) work collaboratively to identify opportunities for implementation that could draw down the UAL without additional costs ultimately borne by students.

The universities have articulated four guiding principles that are informing their consideration of any recommendation in the final report. They include:

- 1. The universities cannot support any policy proposal that would have a negative impact on the university's financial position, thus adding pressure to raise additional student tuition dollars.
- 2. Any proposal should be carefully considered for its implication on a university's credit rating and future ability to access capital markets.
- 3. The state should not enact policies that roll back any of the governing authority and financial autonomy granted to the Boards of Trustees with the passage of SB 270 (2013).
- 4. All policy proposals should be vetted carefully, ensuring that policy makers have a firm and clear understanding of unintended consequences.

Below is a summary of current PERS statistics and information. Following that is a brief summary of recommendations in the report that would impact higher education.² The full report, sent to trustees via email earlier this month, is available online at <u>http://www.oregon.gov/gov/policy/Pages/PERS-UAL-TASK-FORCE.aspx</u>. It is not reproduced here to save file space.

¹ PERS UAL Task Force Final Report, Page 1

² All statistics and information on recommendations are taken from the above-mentioned Final Report or the PERS website. This document is provided for summary purposes only; citations are omitted for space but are available upon request.

PERS BY THE NUMBERS

•	Unfun o	ded Actuarial Liability (UAL) as of December 31, 2016 Percent Funded	\$25.3 billion ³ 69%
٠	UAL by	/ Employer Type	
	0	State Agencies (est.) ⁴	21%
	0	Universities (est.)	7%
	0	Community Colleges	3%
	0	Cities, Counties, and Special Districts	35%
	0	School Districts	34%

- The largest component of the system's total liability is benefits owed to employees who were hired before 1996. This is due to the fact that structural changes were made to PERS by the legislature in 1995 creating a "Tier 2" set of benefits.
 - The legislature again made changes in 2003, limiting "Tier 2" benefits to those hired between January 1, 1996, and August 28, 2003. Those hired after August 28, 2003 receive Oregon Public Service Retirement Plan (OPSRP, "op-surp") benefits.
- The PERS Board sets assumed rates of return for PERS investments, which in turn drive calculations around how many assets are available to pay benefits and, thus, the level of the UAL.
 - \circ $\,$ The assumed rate of return was recently lowered from 7.5% to 7.2% $\,$
 - Recent actual vs. assumed rates of return for the last few years:

	,
Actual	Assumed
14.29	8.0
15.76	7.75
7.29	7.75
2.21	7.5
6.9	7.5
	7.2
	7.2
	14.29 15.76 7.29 2.21

- The goal of the PERS Board is to keep the UAL as close to 100% funded as possible.
 - If a situation existed wherein the UAL was fully funded, the policy is to hold or lower rates to keep it near that 100% mark.
 - The Board's policy is "to eliminate the UAL and fully fund PERS by increasing employer contributions..." via a 20-year amortization plan.
 - The "rate collar" is a policy set by the Board which limits (or "collars") the maximum amount an employer contribution can be increased (or decreased) from biennium to biennium. This helps smooth impacts to employers.
 - The collar limits biennial increases to a level no more than 20% of the current rate
 - If the UAL is less than 60% funded, the collar doubles
 - If the UAL is 60-70% funded, the collar is pro-rated

³ This figure excludes side accounts (see footnote 5); including side accounts, the UAL is \$19.9 billion and is 75% funded.

⁴ Agencies and universities are actually one employer pool representing 28% of the employer pool in the UAL; the Report estimates that this 28% is attributable at the 21/7 split noted here.

- PERS employer rates (excluding side accounts⁵) have nearly doubled since the 2003-05 biennium, from 10.3% to a rate of 20.85% of payroll in 2017-19.⁶
 - The UAL is expected to peak in 2021-23, and employer rates are expected to peak in 2029-31. The lag is due in part to the collaring mentioned above.
- The UO's current annual retirement contribution (includes all PERS tiers and plans) is \$52.5 million (FY18 base) in E&G funds (\$74.9 million all funds). This number will jump dramatically in FY20 when the next rate increase takes effect (exact impact TBD).

PERS UAL TASK FORCE RECOMMENDATIONS POSSIBLY IMPACTING HIGHER EDUCATION

The below information is also taken from the Task Force's November 1 final report, with the exception of the italicized issues to consider, which were generated by the University.

The report states, "[The Task Force] did not endeavor to reach a consensus recommendation, but [has] included in [its] report those options [they] judged were not unreasonable public policy." This is an important reminder because these ideas are just that – ideas. At this point, there is no certainty on whether any particular idea will be proposed via legislation or, where appropriate, administrative rule, let alone whether such a proposal would have traction for adoption.

The one policy area where the task force did have consensus is in a recommendation that the state consider the creation of an Employer Incentive Fund. An Employer Incentive Fund, would provide a partial match (for example, 25%) of qualifying side account contributions made or committed by PERS employers as of a certain date. The Employer Incentive Fund could be funded by one or more of the Funding Options described in the report. For example, if the state identified \$500 million to be used for this purpose, and these funds were fully matched by PERS employers on a 4:1 basis (a 25% match), this initiative could reduce the PERS UAL by an additional \$2 billion.

The purpose of the discussion at the December Board of Trustees meeting is to help trustees to understand the options put forth by the UAL task force that could affect the University, discuss possible implications, and get a sense of possible paths forward.

PROPOSED OPTION: Reduce Excess Risk Capital across State-Controlled Entities (see Report, p.2 and Appendix A).

The report notes that several state entities maintain cash and short-term investments as reserves for financial downsides and to bolster credit ratings, which can reduce the cost of capital. The option raised here would combine all such pools into one, reducing the overall amount of funds in such accounts and investments, and using the "excess" (the difference between current total balances and the determined necessary pool balance) to pay down the liability. The option proposes that entities contributing to this

⁵ Side accounts are deposits which some employers have made in advance to offset future contributions. Many of these deposits are funded with bond proceeds, which adds additional expense.

⁶ This rate does not represent total retirement payments as a percent of payroll because it excludes the 6% employee contribution "pick-up," so named because employers actually pick up this contribution on behalf of employees.

shared risk pool would receive callable notes for use in the most dire of circumstances, such as financial exigency.

There are many issues to consider with this option, including, but not limited to: the impact on university credit ratings, potential loss of interest earned from such balances investments (and how such interest earnings can offset costs), overall debt capacity issues, and the risk of a financial crisis that hits multiple (or all) participating entities at the same time, creating the need for requested withdrawals that the remaining pool balances would not be able to cover.

PROPOSED OPTION: Privatize Public Universities (see Report, p. 11 and Appendix 13)

The report suggests that the state's research universities (PSU, OSU, and UO) or the health science university (OHSU) "could seek private backing to buy the university out of the public sphere." The concept is that a private individual or group would donate enough money to "create an endowment to replace state support" and that the university would then have more flexibility to "access the bond market to purchase assets currently owned by the state."

There are many issues to consider with this option, including, but not limited to: whether such philanthropy exists to make this model financially viable, the impact on tuition for Oregonians, the cost to the university (and therefore students, families, and philanthropists) to purchase state assets, etc. The Governor and her staff have informed university leaders that she is not interested in pursuing this option.

<u>PROPOSED OPTION: Selling or leasing publicly owned facilities to private operators (see Report, p. 15)</u> The report suggests that additional revenue could be generated for PERS by "selling or leasing publicly owned facilities to private operators," specifically in the context of non-academic operations such as conference centers, arenas, parking, food service, museums, and the like.

There are many issues to consider with this option, including, but not limited to: The fact that universities already bear the costs (e.g. debt service for capital) for these operations and do so outside of state support (for example, athletics, housing, parking, and food service are all self-supporting auxiliaries at the UO); impacts on the cost of using such services once privately-owned, including costs to students and staff for things such as dining or parking.

PROPOSED OPTION: The State gaining a partial share of monetized gains from tech transfer (see report, p. 16 and Appendix 24)

The report notes that technology developed at universities can sometimes be licensed or otherwise monetized, suggesting that the state "could negotiate a partial share of the profits which would be dedicated as windfall revenue to PERS."

There are many issues to consider with this option, including, but not limited to: any loss or redirection of revenue within universities is ultimate a cost borne by students via tuition and fees; complexities of intellectual property law, especially as it pertains to IP developed under certain grants.

Agenda Item #5

Knight Campus Leadership and Governance

There are no materials for this section

Agenda Item #6

Research and Innovation Annual Report

Sponsored Projects Overview FY2016 & FY2017

FY17 Proposals - Preliminary

Number of proposals	973
First year budgets	\$ 162,773,813
Requested Budget Amount	\$ 444,763,781

FY16 Proposals

FY16 Awards Number of awards

Award budget

Number of proposals	1,136
First year budgets	\$ 157,099,060
Requested Budget Amount	\$ 483,945,675

FY17 Awards - Preliminary

Number of awards	558
Award budget	\$ 114,867,461

FY17 Expenditures - Preliminary

Expenditures	Federal	non-Federal	Total
Instruction	3,154,715	107,257	3,261,972
Organized Research	70,005,497	6,298,362	76,303,859
Other Sponsored Activity	12,219,052	17,035,173	29,254,226
Total	85,379,265	23,440,792	108,820,057

FY17 F&A - Preliminary

Facilities & Administrative Collected\$ 21,762,222

FY16 Expenditures

Expenditures	Federal	non-Federal	Total
Instruction	4,520,301	291,338	4,811,640
Organized Research	68,842,618	5,400,596	74,243,214
Other Sponsored Activity	21,941,123	6,333,007	28,274,130
Total	95,304,043	12,024,941	107,328,983

\$ 116,295,589

536

FY16 F&A

Facilities & Administrative Collected	\$ 20,494,235
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The FY17 Sponsored Projects Services Annual Report is available at https://orsa.uoregon.edu under "Quick Links"

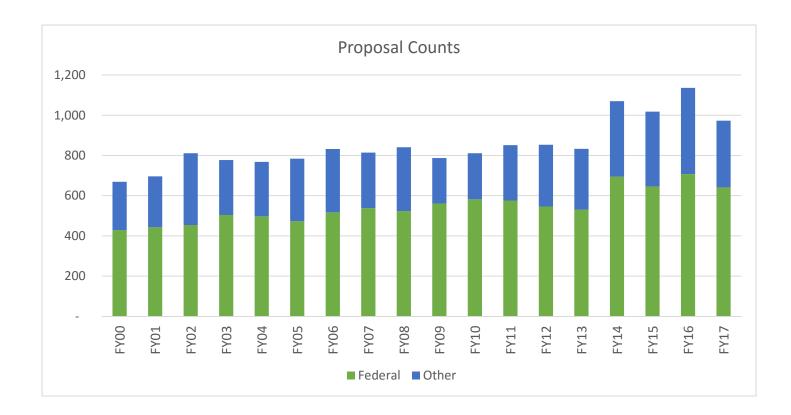
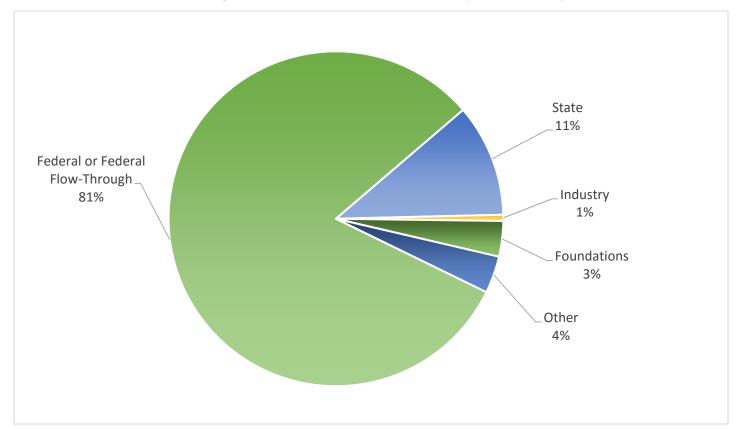
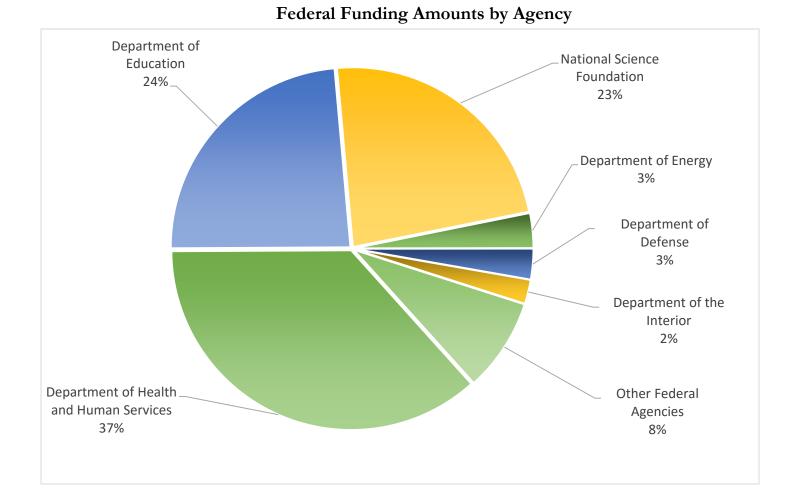
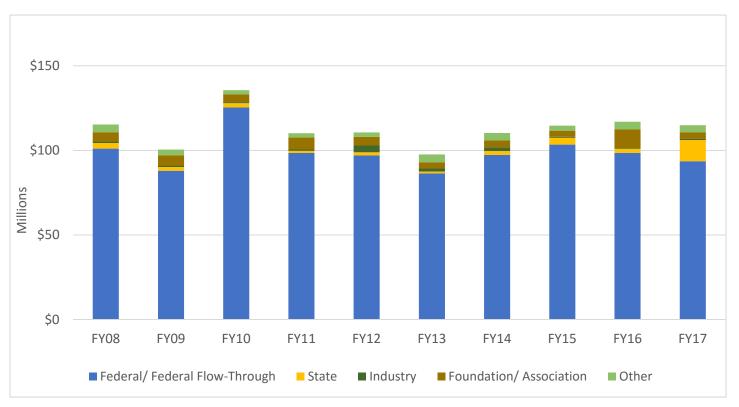


Figure 6: Total Funds Awarded by Sponsor Type



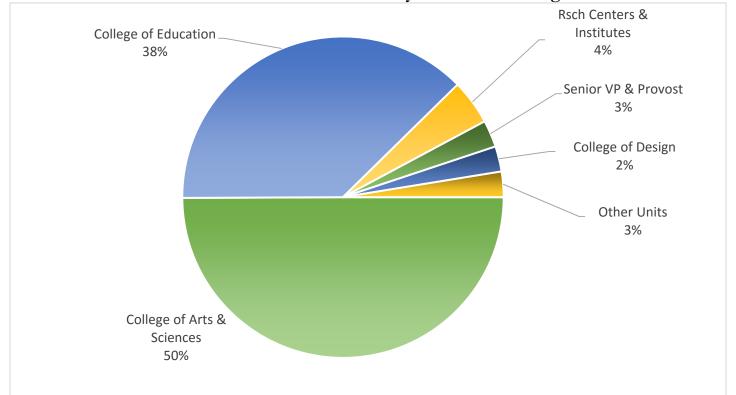


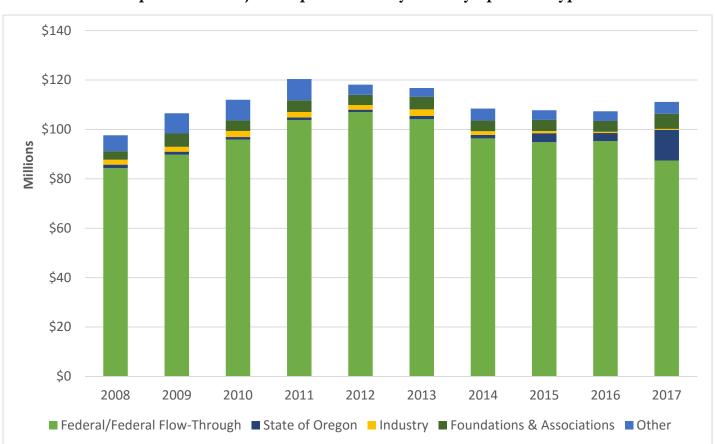
Total I and Theated by Tear by Oponsol Type						
Fiscal Year	Total Funding Received	Federal/ Flow- Through	State	Industry	Foundation/ Association	Other
FY08	\$ 115,285,648	101,060,427	3,344,680	902,609	5,474,905	4,503,027
FY09	\$ 100,516,110	87,968,252	2,254,021	808,177	6,100,713	3,384,947
FY10	\$ 135,588,604	125,382,063	2,526,126	645,658	4,532,876	2,501,881
FY11	\$ 110,161,835	98,476,259	1,294,247	789,017	7,038,469	2,563,844
FY12	\$ 110,631,365	96,985,189	1,916,272	4,025,266	5,030,442	2,674,195
FY13	\$ 97,622,652	86,446,107	1,106,013	1,765,868	3,716,527	4,588,137
FY14	\$ 110,281,412	97,337,525	2,299,615	2,208,409	4,023,606	4,412,256
FY15	\$ 114,634,756	103,452,321	3,986,892	578,045	3,632,107	2,985,392
FY16	\$ 116,950,612	98,585,848	2,387,054	445,822	10,954,341	4,577,547
FY17	\$ 114,859,116	93,616,130	12,509,968	680,095	3,940,101	4,112,823



Total Funds Awarded by Year by Sponsor Type (graph)

FY17 Awards Received by PI's Home College





Sponsored Project Expenditures by Year by Sponsor Type



The State of Research at the UO

University of Oregon Board of Trustees December 8, 2017

The State of Research at the UO

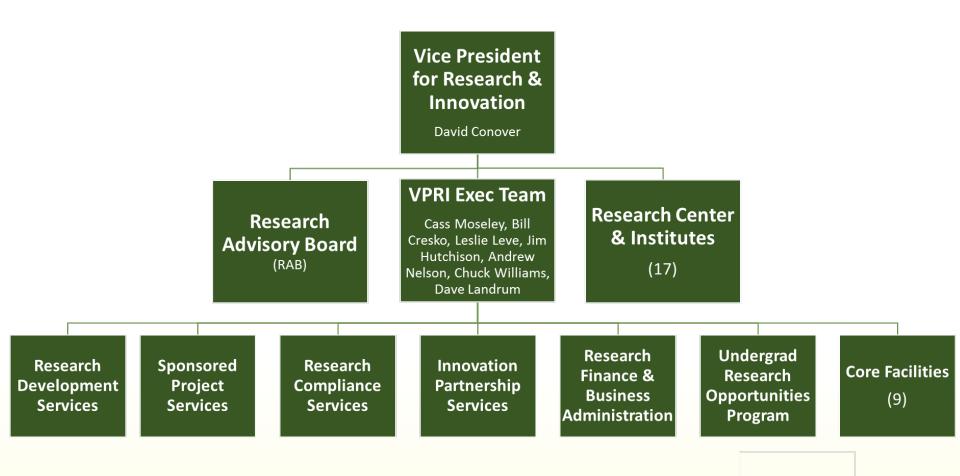
Program

- 1. Overview of FY17
- 2. Major new awards in FY 17*
- 3. Benchmarking
- 4. Forecasting an even brighter future



*Note: Awards received in FY18 are not included

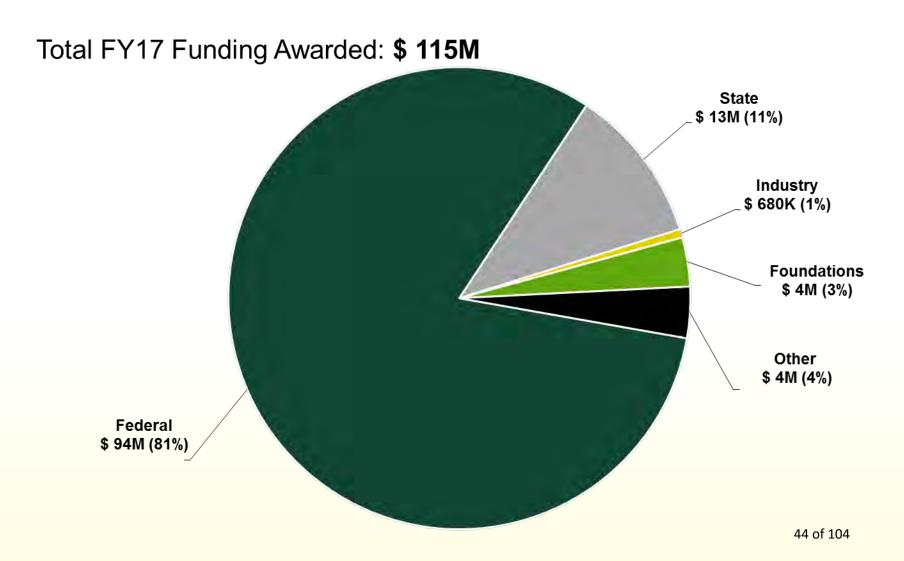
VPRI Org Chart



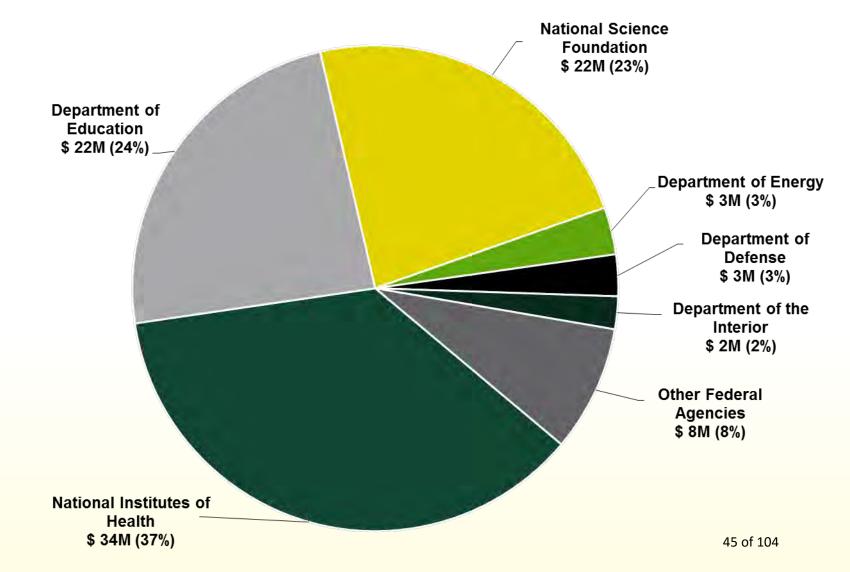
Overview: FY17 Metrics

	Description	<u>FY17</u>
	Number of Proposals Submitted	973
	Dollar Amounts of Proposals Submitted	\$ 163M
	Number of Awards	560
	New Awards	\$ 115M
Amaria	Total Expenditures	\$ 111M
	Total Research Expenditures	\$ 76M
	F&A Recovered	\$ 22M

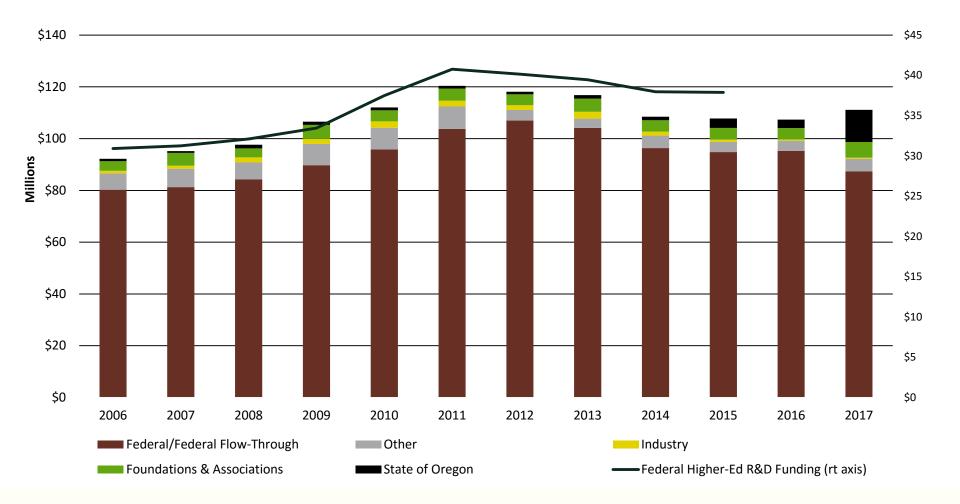
Overview: Total Funds Awarded by Sponsor Type



Overview: Federal Funding Amounts by Agency



Sponsored Project Expenditures by Year and Sponsor Type



FY 17 Awards by Academic Department (Based on PI's Academic Home)

CAS and COE

Biology (CAS)	\$22M
Special Ed. & Clinical Sci. (COE)	\$13M
Chemistry (CAS)	\$ 8M
Psychology (CAS)	\$ 7M
Counseling Psych & Human Srvs (COE)	\$ 5M
Physics (CAS)	\$ 4M
Computer & Information Science (CAS)	\$ 3M
Earth Sciences (CAS)	\$ 3M

<u>Other</u>

EC Cares and other COE Centers

\$ 22M



FY17 Awards by Research Center & Institute



	<u>FY17</u>
<u>Center or Institute</u>	<u>Awards</u>
Inst of Neuroscience	\$ 13.6M
Inst of Molecular Biology	\$ 9.4M
Prevention Science Inst	\$ 7.1M
Material Science Inst	\$ 6.1M
Oregon Center for Optics	\$ 3.0M
Inst Ecology & Evolution	\$ 2.3M
Inst Sustainable Environment	\$ 1.8M
Oregon Inst of Marine Biology	\$ 1.4M
Ctr Brain Injury Rsch Training	\$ 1.0M

FY17 Top 5 New Awards by PI

PI Name	Unit	Sponsor	Subject	Amount
Newman, Judith (PI),	EC	ODE	Early Childhood Education	\$ 11M
Close, Valerie	CARES		Services	
Leve, Leslie (PI)	PSI	NIH	Influences on Child Health	\$ 4M
Clarke, Benjamin (PI)	CTL	USDE	Trial of First Grade	\$ 2M
Fien, Hank,			Mathematics Intervention	
Doabler, Christian				
Seeley, John	DESTN Y	NIH	Development of an Interview to Assess Psychopathology in Youth Disabilities	\$ 2M
Fien, Hank (PI) Kameenui, Ed Baker, Scott Nelson, Nancy	CTL	USDE	Center on Improving Literacy for Students with Disabilities	\$ 1M

FY17 Top 5 Awards in Humanities, Social Sciences & Professional Schools

PI Name	Unit	Sponsor	Subject	Amount
Lanahan, Lauren	LCB	NSF	Emerging Researchers on the Path to Innovation	\$ 372K
Evans, George (PI) McGough, Bruce	Econ	NSF	Coordination & Agent-Level Learning	\$ 318K
Weiner, Merle	Law	DOJ	Domestic Violence Clinic	\$ 300K
Abrams, Jesse (PI) Moseley, Cassandra	ISE	DOI	Integrating Social & Ecological Resilience	\$ 289K
Tichenor, Daniel	PS	NEH	Politics, Inclusion and Exclusion	\$ 200K

Pls with > \$2M in Research Expenditures during FY17

PI	Unit	Total Dollars	Open Awards
Newman, Judith	COE EC CARES	\$ 11.3M	6
Westerfield, Monte	CAS Biology	\$ 7.0M	7
Horner, Robert	COE Special Education	\$4.4M	5
Guillemin, Karen	CAS Biology	\$ 3.2M	8
Fisher, Philip	CAS Psychology	\$ 2.2M	10
Eisen, Judith	CAS Biology	\$ 2.1M	3

Recognition: Research Support for Students in FY17



<u>Student Support</u> <u>Summary</u>	<u>Total</u>
Undergraduate Salary	Approx. \$1M
Graduate Salary	Approx. \$ 4M
Participant Support (Travel, Room & Board, Stipends, etc.)	Approx. \$ 654K

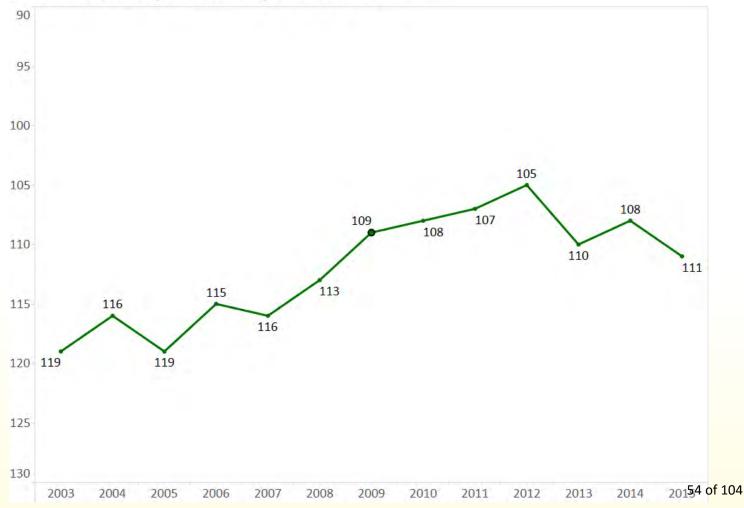
UO Innovation Metrics

<u>FY17</u>		
Licensing Revenue:	\$ 9M	
Distributed to Innovators and Academic Units:	\$ 7M (82%)	
Disclosures/Faculty New Ideas:	28	
Patent Applications:	13	
Issued Patents:	5	
UO Based Startups:	4	53 of 104

Benchmarking: UO's Rank in the NSF HERD Survey

University of Oregon's Rank among Institutions

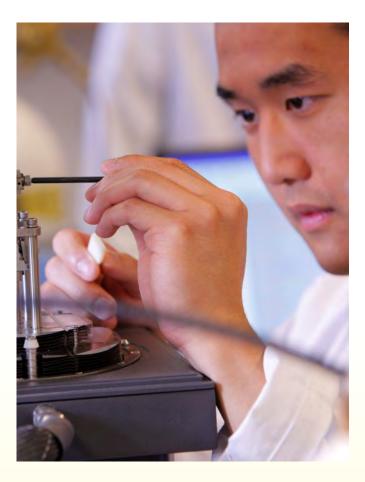
Federal R&D Expenditures per Fiscal Year



Benchmarking: UO Innovation Metrics

<u>AAU/APLU Comparison</u> <u>2015 Association of University Technology</u> <u>Managers (AUTM) Data</u>

	<u>AAU</u>	<u>APLU</u>
Licensing Revenue per Research Dollar:	#5	#4
Disclosures per Research Dollar:	#29	#53
Patent Applications per Research Dollar:	#42	#64
Issued Patents per Research Dollar:	#46	#78

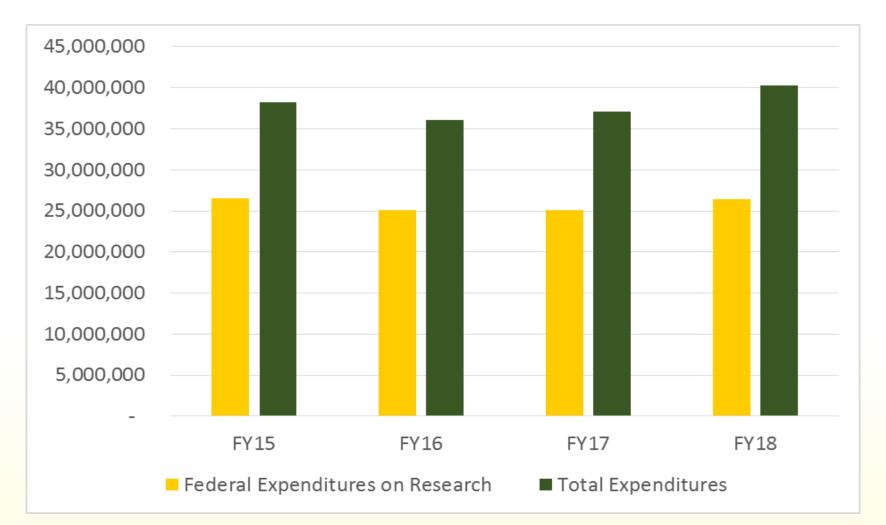


- 60 AAU members are represented on the report (Canadian members were not included).
 - 107 APLU are represented on the report.

55 of 104

• 2015 AUTM STATT data is the most current information available.

Comparison of the Fist 5 Months for FY18 & Previous Years



Looking Ahead: New Initiatives that will Grow Our Research Capacity

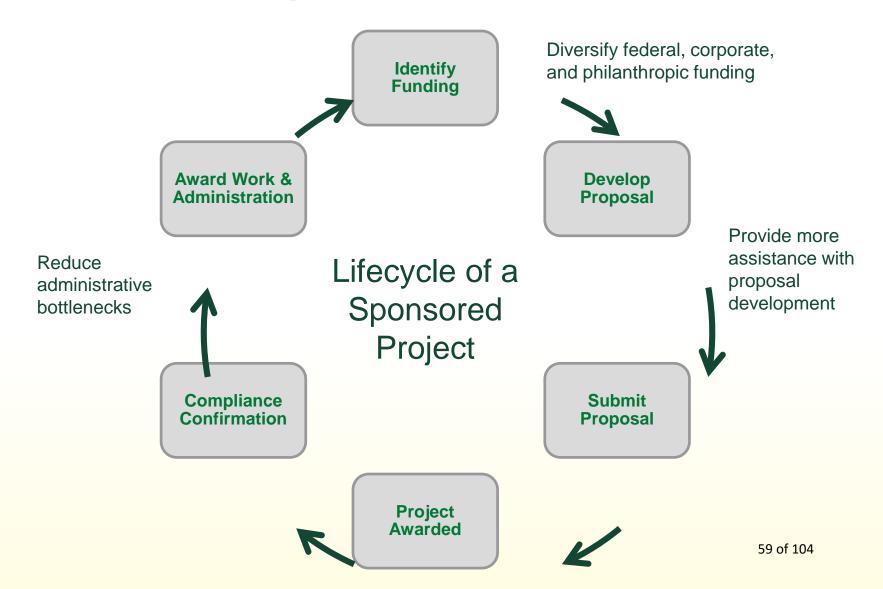


- Institutional Hiring Plan
 - Cluster hiring process continues
 - Data science initiative
- Star Faculty and New Hires
- Lower Post-doc Fringe
- New Core Facilities and Infrastructure
 - Given High Performance Computing
 - Imaging core facility
 - High speed internet connectivity (100G)
 - Lab renovations in Huestis, Pacific, and Klamath Halls
- New Partnerships
 - OHSU
- Knight Campus
 - Additional core facilities
 - 30 Additional Faculty
 - New Integrated Laboratories 57 of 104

OVPRI Strategy to Increase Sponsored Research

- Continue to make external support for research a top priority
- Reward and recognize success
- Use data to benchmark and evaluate progress
- Provide incentives to increase competitive proposals and prestigious awards
- Reduce administrative bottlenecks
- Diversify federal, corporate, and philanthropic funding

OVPRI's Strategic Plan will Facilitate more Sponsored Research



Looking Ahead: Federal Funding Levels

Federal Research Agency	FY17 Enacted	FY18 President's Request	FY18 House-Senate Action
National Institutes of Health	\$ 34B	\$ 27B	\$ 35-36B
National Science Foundation	\$7B	\$ 7B	\$ 7B
Institute of Education Sciences	\$ 605M	\$ 617M	\$ 600-605M

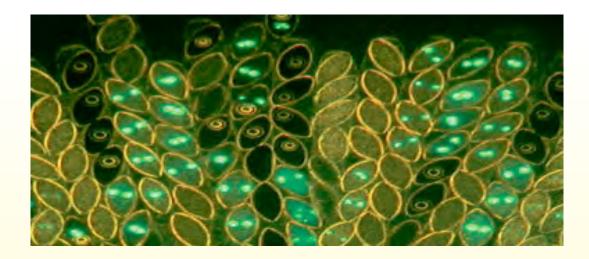
Telling Our Story: Expanding Science Communication

- Communications Office
- School of Journalism and Communication
- Alan Alda Center for Communicating Science
- Knight Campus
- Faculty op-ed articles
- Innovation events
- Quack chats
- Pub talks
- Run with the researcher



Summary

- We are transforming the research enterprise
- Investments in research will improve our metrics
- The Knight campus will add even more
- We are poised to advance to a much higher level of research excellence



Research Annual Reports

http://research.uoregon.edu/about/statistics/reports



Agenda Item #7

Academic Area in Focus: Environmental Humanities

ENVIRONMENTAL HUMANITIES



Faculty Bios



Stephanie Le Menager is the Barbara and Carlisle Moore Professor of English and she has an affiliate appointment as a professor of Environmental Studies. She joined the University of Oregon in 2013.

Professor Le Menager's areas of specialization include the Environmental Humanities; the Public Humanities; Ecological Media Studies; Nineteenth, Twentieth, and Twenty-First Century

US/American Literature; US Cultural History; and Environmental History.

She received a B.A. in English and Anthropology (Double Major) with distinction from Stanford University, and her M.A. and Ph.D. in English and American Literature and Language from Harvard University. Prior to joining the University of Oregon, Professor Le Menager was an Associate Professor at UC Santa Barbara.



Marsha Weisiger is an Associate Professor of History and the Julie and Rocky Dixon Chair of US Western History. She joined the University of Oregon at the end of 2010, joining the UO from New Mexico State University.

Her areas of interest include the western US, Environmental History, and the history of the Pacific Northwest. Her current research is on western rivers, exploring the Colorado River system to assess changes in the rivers' condition over time.

Professor Weisiger received a B.A. in Anthropology and in History from Arizona State University, with honors; her M.A. in History from the University of Oklahoma; and her Ph.D. in History from the University of Wisconsin-Madison.

College of Arts and Sciences Environmental Humanities

The term "environmental humanities" has emerged over the last several years to describe the broad multidisciplinary work of scholar-teachers specializing in environmental studies in a range of humanities fields, including environmental philosophy and history, cultural geography and anthropology, ecocriticism (literary and cultural studies), political and economic ecology, and more.

Though humanities disciplines were involved in public discussions about the environmental revolution from their beginnings in the 1920s, the environmental movement has looked to the natural sciences and public policy for understanding and solving the environmental problems that have become so acute and far reaching. We have been "masters at measuring" environmental disasters that we "seem unable to prevent.¹ The environmental humanities recognize that we must understand humans if we are to understand and address the planetary problems that humans have created. The human sciences, including humanities and social science disciplines, are crucial to any effort to address global environmental problems like climate change, food scarcity, and the spread of contagious disease, because the solutions to such problems must involve profound cultural innovation. Likewise any attempt to imagine and innovate just solutions—ones which take into account the unequal distribution of environmental burdens and attempt to redress social inequities—must draw upon cultural knowledge, such as anthropology and history, and cultural skills such as rhetoric, communication, and narrative.

The environmental humanities emphasize collaborative problem solving, putting the humanities' unique skills in dialogue with other disciplines to address environmental problems that demand urgent attention. Faculty in ethics, communications, creative writing, art, history, sociology, political science, geography, anthropology, theater arts, literature, film, economics, religious studies, and rhetoric (for instance) work together to understand how environmental issues from climate change to public health, for instance, involve human values, motivations, denials, despair, and hope. The study of the people who have built today's world can help us understand how to change it through education, policy, science, persuasion, and imagination. This mandate to understand and engage, which is foundational to the environmental humanities, makes pedagogy and public outreach central to the field.

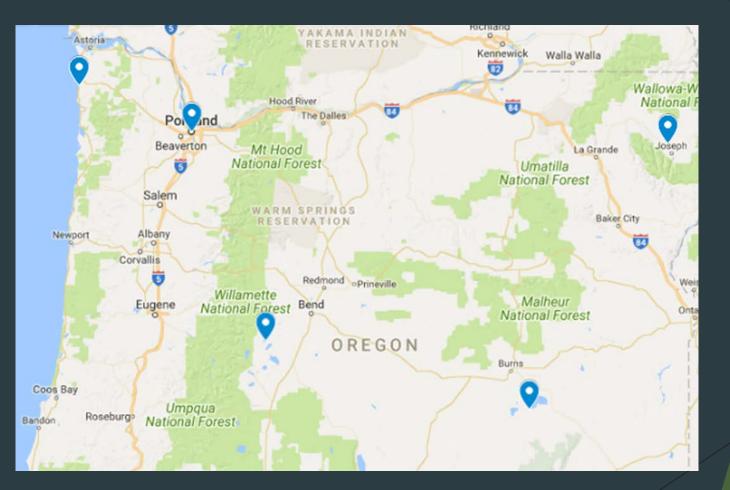
The proposed Center for Environmental Futures will build on an already vibrant environmentaloriented community at the UO to promote research, enrich student training and education, enhance collaboration across disciplines, and invite community participation. The knowledge and understanding fostered through the Center's activities will be used to inform policy-making and to foster innovative ideas and leadership strategies for a more sustainable, just future. A key goal of CEF is to stimulate greater conversation and collaboration between the humanities disciplines and the social sciences, and across colleges, from CAS to the professional schools of Architecture and Allied Arts, Education, Journalism, Law, and Business. The Center will foster cutting edge, impact-oriented humanities practice, cultivating a broader understanding of the humanities within the rubric of the human sciences. Finally, it will make visible our university's and our region's longtime leadership in environmental thinking and innovation.

¹ Sverker Sörlin, "Environmental Humanities: Why Should Biologists Interested in the Environment Take the Humanities Seriously?" *BioScience* (2012) 62.9: 788-89.

Living in Common: the Past, Present, and Future of Oregon's Public Lands

Marsha Weisiger (History) and Stephanie LeMenager (English), co-Pls

Living in Common Study Area





2016 Take-over of the Malheur National Wildlife Refuge



Hayley Brazier, Stephanie LeMenager, Alison Ford, Marsha Weisiger, Gordon Sayre, Parker Smith (not shown)



Photograph by Parker Smith

Malheur Field Station

Field Station buildings



Our living quarters





Photographs by Parker Smith

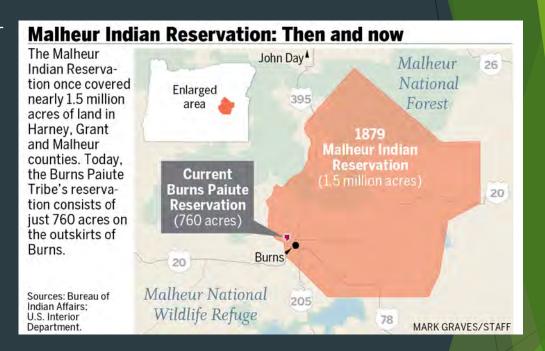
Duncan Evered welcomes us to the Malheur Field Station



Photograph by Parker Smith

Interviews

- Resource managers (Malheur National Wildlife Refuge, Bureau of Land Management, Oregon Department of Fish and Game)
- Burns Paiute Culture
 Resources Manager
- Journalist/local historian
- Biologist at the Malheur Field Station



Interviews with Ranchers, Malheur National Wildlife Refuge

Stacey Davies, Roaring Springs Ranch Manager Dan Nichols, High Desert Partnership







Gary Marshall, High Desert Partnership

Field trip to Pete French's Ranch, Frenchglen, Oregon



Photographs by Parker Smith

Harney County Parade Burns Paiute education float



Photograph by Parker Smith

Harney County Parade Burns Paiute float



Photograph by Parker Smith

Burns County Parade Shriners



Photograph by Parker Smith

Harney County Parade

Forest Service float

BLM float





Photographs by Parker Smith

Harney County Parade "Free the Hammonds"



Photograph by Marsha Weisiger

Harney County Parade "Free the Hammonds"



Photograph by Marsha Weisiger

Harney County Parade "Free the Hammonds"



Photograph by Marsha Weisiger

Next Steps

- Grant application to American Council of Learned Societies (submitted Sept. 27)
- Grant applications to National Endowment for the Humanities (January 2018—assuming program still exists)
- Seeking a major endowment for all CEF activities (bi-weekly colloquia, annual Emerald Earth Film Festival, symposia, Field Schools)
- Field Work 2018: Return to Harney County, Interviews in Wallowa Valley
- Field Work 2019: Interviews in Willamette National Forest, Portland, Cannon Beach
- Products:
 - To Speak of Common Places: A People's History of Oregon's Public Lands (co-authored book);
 - The Living Map of Oregon's Public Lands, an interactive, digital map, with film clips from interviews (in collaboration with documentary filmmakers Sue Arbuthnot and Richard Wilhelm), historical documents, literary excerpts, nature writing, poetry, photography, and art.

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Agenda Item #8

Academic Excellence



Academic Excellence How Do We Define and Measure It

Friday, December 8, 2017

Board of Trustees of the University of Oregon

Agenda

- Overview
- Operational Metrics
- Measuring Mission Excellence
- Questions

Overview

This presentation provides:

- A discussion of *why* metrics are valuable
- A progress update on generation and utilization of metrics focused on how well the UO meets its mission
- A look at the new Operational Metrics that will form a *context* in which we can better understand mission metrics at various levels



What is "Academic Excellence"?

President Schill has defined excellence using four factors:

- 1. Research or performative accomplishments that are nationally recognized.
- 2. Teaching that challenges our students to stretch themselves and develop not just bodies of knowledge but also the ability to think critically.
- 3. Advising and opportunities for engagement that support and facilitate on-time graduation among our students.
- 4. A diverse and respectful environment that enables us to learn from each other where diversity includes the usual categories of racial, gender, ethnic and sexual orientation and also includes viewpoint diversity.

Why metrics?

Metrics – especially *mission metrics* – are essential for:

- Planning for the future
- Understanding the impact of research and teaching
- Holding ourselves accountable
- Allocating resources
- Sharing what the UO values

Operational Metrics

- Operational Metrics provide *context* for budget decisions using standard cost-accounting principles
- Operational Metrics are broken into two categories:
 - 7 primary metrics
 - 8 secondary metrics
- Each metric is computable at *any level of unit* at the UO
 - Unit = program, department, division, school, college, or the collection of all schools and colleges
- Operational Metrics will be tracked and reported as 5-year series

Primary Operational Metrics

Workload

- Average student credit hours (SCH) taught per TTF full-time equivalent (FTE)
- Average SCH taught per NTTF FTE
- Number of undergraduate majors per TTF FTE

Financial

- Type 2A expenditures* per SCH
- Type 3 expenditures** per SCH
- Type 3 expenditures** per TTF FTE
- Total expenditures per total SCH

*All instructional faculty costs excluding TTF and GE base salaries/OPE and summer instruction

**Non-instructional costs

Secondary Operational Metrics

Teaching Workload and Class Size

- Percent of TTF standard course workload realized
- Average and median undergraduate class size

Staffing

- TTF FTE per staff FTE (general fund only)
- Total instructional FTE per staff FTE (general fund only)
- Majors (UG and Grad) per staff FTE

Degrees Awarded

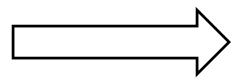
- Undergraduate degrees per TTF FTE
- Number of PhD, JD, MFA degrees per TTF FTE
- Number of other graduate degrees per TTF FTE

Sample Operational Metrics: University Wide

NOTE: Updated version of this slide with corrected numbers at the end of supplemental documents

Primary Operational Metrics	2012-13	2013-14	2014-15	2015-16	2016-17
Avg. SCH taught per TTF FTE	497	545	464	505	473
Avg. SCH taught per NTTF FTE	814	873	710	806	771
Number of UG majors per TTF FTE	24.4	27.2	24.0	26.5	23.2

What can these tell us over time?



What can these tell us across units?

What context can these provide to analyze mission metrics?

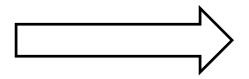
SCH: Student Credit Hours FTE: Full-Time Equivalent UG: Undergraduate

Sample Operational Metrics: University Wide

NOTE: Updated version of this slide with corrected numbers at the end of supplemental documents

Secondary Operational Metrics	2012-13	2013-14	2014-15	2015-16	2016-17
Instructional FTE per GF Staff FTE	3.24	2.93	3.40	3.12	3.24
All Majors per GF Staff FTE	58.52	58.04	56.75	57.22	55.00
Avg UG class size (AY only)	32.53	32.00	31.44	31.94	32.36
Median UG class size (AY only)	20	19	18	18	19

What can these tell us over time?



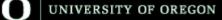
FTE: Full-Time Equivalent GF: General Fund UG: Undergraduate What can these tell us across units?

What context can these provide to analyze mission metrics?



Operational Metrics

Questions?



Mission Metrics

UNDERGRADUATE EDUCATION

GRADUATE EDUCATION

RESEARCH

Mission Metrics are essential for:

- Planning for the future
- Understanding the **impact** of research and teaching
- Holding ourselves accountable
- Allocating resources
- Sharing what the UO values

Faculty Metrics

In order to achieve excellence in the mission areas, there are a set of <u>faculty metrics</u> that govern faculty hiring, tenure and promotion including:

- 1) promoting <u>diversity in hiring</u>,
- 2) <u>tenure and promotion standards</u> that represent excellence in each discipline,
- 3) <u>teaching standards</u> that support student success, and
- 4) <u>service expectations</u> that ensure effective shared governance.



Mission Metrics



Individual departments will receive an annual **"dashboard"** so that they—as well as each school/college—will know the metrics used to inform the institutional hiring plan and budget allocations.

Two Quick Notes:

- A gold standard for undergraduate and graduate education is job and educational placement data. Limited placement data is available, for both, but it is not yet useful at the disciplinary/program level.
- Service data (included in all faculty reviews) is not yet collected systematically and so is not included in the standard metrics.

Research Metrics

Data Sources:

- Academic Analytics
- Discipline-specific sources (e.g. professional organizations, accrediting agencies)
- Other external sources (e.g. Google Analytics, Web of Science)

Quantitative v. Qualitative:

Quantified results are balanced with qualitative information about the venue of the work (e.g. peer reviewed, ranked publications, type of grant).

"Local" Research Metrics Project:

- Understandably, metrics vary between disciplines and are very localized to specific fields of study
- Discipline specific metrics definitions are due to the provost by the end of this academic year to ensure the data is available for next year's hiring plan and budget processes
- Development for a faculty productivity tracking system to standardize reporting is underway

Local Research Metrics

Science and Selected fields in Education:

Comparators: Other AAU and R1 universities

- Grants
- Publications
- Citations
- Awards

Other Disciplines:

Comparators: Mostly internal; few reliable external sources

Publications

(i.e., books, chapters, performances, commissions, articles, citations, shows, etc.)

- Awards
- Grants
- Fellowships



Undergraduate Education Metrics

Overall Undergraduate Results

- Time-to-degree
- Retention term-to-term
- Carrying load
- Percent participating in first year experiences
- Diversity demographics (race/ethnicity, gender, Pell-status, first-generation) and demographic analysis of time-to-degree and completion rates
- Four/six year completion rates

By Major

- Time-to-degree
- Degree Progress
- Carrying load
- Diversity demographics and demographic analysis of time-to-degree and completion rates
- Four/six year completion rates

By Course (restricted to courses with large aggregate enrollments)

- Course completion rate
- Percent of students receiving grades of D, F and W.
- Demographic analysis of completion and DFW rates.

NOTE: Though not directly about quality, these data serve as proxies for factors such as advising, course access, etc. Placement data would serve as a more direct measure and we await access to reliable, generalizable results.

Graduate Education Metrics

PhD Metrics by Degree Program:

Data comparable to other AAUs and R1s by program

- Time-to-degree
- Completion rate
- Graduate research productivity
- Perceived advising quality
- Initial placement

Internal Data (no external comparators)

- Admissions Selectivity
- Admissions competitor data
- Diversity demographics
- Student Experience Survey (every third year)

Masters Metrics by Degree Program:

Internal data only (no reliable external comparators)

- Time-to-degree
- Completion rate
- Initial placement
- Financial viability
- Ratio of TTF to NTTF teaching in the program

NOTE: While some data is a direct measure of quality, others (time-to-degree and completion rates) are proxies for the quality of advising, the reputation of the program, etc. Placement data is currently available for initial placement only, though AAU is working on a plan to collect long term placement for PhDs.

Mission Metrics

Questions?



SUPPLEMENTAL MATERIALS

EXHIBIT A

UNIVERSITY OF OREGON MULTI-SPORT AGREEMENT

THIS IS AN AGREEMENT made and entered into by and between the University of Oregon, on behalf of its Department of Intercollegiate Athletics, having its principal administrative office at the Casanova Center, 2727 Leo Harris Parkway, Eugene, Oregon 97401 ("UNIVERSITY"), and NIKE USA, Inc., an Oregon corporation having its principal offices at One Bowerman Drive, Beaverton, Oregon 97005-6453 ("NIKE").

RECITALS

WHEREAS, UNIVERSITY fields and maintains nationally recognized athletic teams in numerous sports (and retains the coaches and staff in connection therewith) and owns all right, title and interest in and to the names, nicknames, mascots, trademarks, service marks, logographics and/or symbols, and any other recognized reference to UNIVERSITY or its "Programs" (as defined below) except the Fighting (Donald) Duck character licensed from The Walt Disney Corporation ("Disney");

WHEREAS, NIKE is a sports and fitness company engaged in the manufacture, distribution and sale of athletic and athleisure footwear, apparel and related accessories, and desires to support UNIVERSITY and its intercollegiate athletic programs as described below;

WHEREAS, NIKE and UNIVERSITY previously entered into the University of Oregon Multi-Sport Agreement, effective July 16, 2003, as amended (the "Prior Agreement"), pursuant to which NIKE agreed to provide cash compensation and NIKE products to UNIVERSITY and UNIVERSITY agreed to provide NIKE with certain rights and benefits; and

WHEREAS, NIKE and UNIVERSITY desire to extend and further amend their relationship by entering into this Agreement that, among other things, supersedes and replaces the final year under the Prior Agreement.

NOW, THEREFORE, in consideration of the mutual promises, terms and conditions set forth herein, NIKE and UNIVERSITY agree as follows:

1. DEFINITIONS.

As used in this Agreement, the terms set forth below shall be defined as follows:

- (a) "NIKE Group" shall mean NIKE USA, Inc., its parent company NIKE, Inc., their licensees, distributors, subsidiaries, affiliates and any successor company to the foregoing.
- (b) "UNIVERSITY Marks" shall mean any copyright, trademark, service mark, logo, insignia, seal, design, reference or other symbol or device owned, controlled and used by UNIVERSITY currently or in the past or those arising after the date of this Agreement and used by UNIVERSITY during the Term, in each case associated with or referring to UNIVERSITY or its Programs, and any other recognized reference to UNIVERSITY or its Programs as approved by UNIVERSITY, except the Fighting (Donald) Duck character licensed from Disney. "UNIVERSITY Marks" includes the names of UNIVERSITY game venues, including "Hayward" and "Autzen."

- (c) "Program(s)" shall mean all existing NCAA Division I varsity teams and individual sports sponsored by UNIVERSITY (specifically excluding club or intramural sports) and any other such programs established during the Term.
- (d) "Program Activity" shall mean all games, practices, exhibitions, training, events, camps, clinics, and public appearances of a Program, in which any Team member, Coach or Staff member appears as an official representative of UNVERSITY or a Program.
- (e) "Flagship Program(s)" shall mean any of the following Programs: football; men's basketball; women's basketball; men's track and field; women's track and field; men's cross country; women's cross country; and baseball.
- (f) "Team" shall mean that group of athletes attending UNIVERSITY's Eugene campus during the Term and comprising the roster of each Program.
- (g) "Coach" shall mean an individual employed during the term of this Agreement to act as a head coach of a Program.
- (h) "Coach Properties" shall mean the name, nickname, initials, autograph, facsimile signature, voice, video or film portrayals, photographs, likeness and image or facsimile image, and any other means of endorsement used by such Coach. Except as otherwise provided herein, each Coach shall retain all rights in and to his or her name and endorsement, and neither UNIVERSITY nor any Coach shall be prevented from using, permitting or licensing others to use a Coach's name or endorsement in connection with the advertisement, promotion or sale of any product or service other than "Products" (as defined below).
- (i) "Staff" shall mean, collectively, all assistant coaches and strength coaches, equipment managers, trainers and any on-field/courtside staff (e.g., ballpersons, basketball stat crews, etc.) employed by UNIVERSITY during the term of this Agreement to provide services to any Program.
- (j) "Game Entertainment Activities" shall mean all student-provided game entertainment activities (e.g., marching band, pep band, performance/dance team, cheerleading, yell squads) conducted in connection with any Program.
- (k) "Department-Related Activities" shall mean any promotional, marketing or community- or alumni-outreach activities (e.g., product giveaways, golf tournaments, UNIVERSITY or coach-operated camps) conducted in connection with any Program or the Athletic Department.
- (I) "Contract Year" shall mean each consecutive 12-month period from June 1 through May 31 during the term of this Agreement, except the first Contract Year, which shall be the period from July 1, 2017 through May 31, 2018.
- (m) "NCAA" shall mean the National Collegiate Athletic Association.
- (n) "Conference" shall mean the Pac-12 Conference and such other intercollegiate athletic conferences of which UNIVERSITY is a member.

- (o) "Products" shall mean:
 - All athletic and athletically inspired or derived footwear that members of any Team, Coaches and/or Staff wear or may be reasonably expected to wear while participating in their respective Program Activities;
 - (2) Authentic competition apparel consisting of uniforms, sideline or courtside jackets, sweaters, game-day warm-ups, basketball shooting shirts, football player capes, wool and fitted caps, windsuits, rainsuits, sideline or courtside pants, shorts, polos and shirts, "base layer" apparel (e.g., compression/tight and non-compression gear typically worn underneath outer garments, including padded and non-padded base layer products) and similar apparel, practicewear, thermal wear and performance undergarments (collectively, "Authentic Competition Apparel") that members of any Team, Coaches and/or Staff wear or may be reasonably expected to wear while participating in their respective Program Activities;
 - (3) All other apparel articles of an athletic or athleisure nature including tanktops, T-shirts, sweatsuits, separates, compression recovery products, and other body coverings (collectively, "Apparel Products"), and accessories of an athletic or athleisure nature, including headwear, headbands, wristbands, bags, socks, towels, and gloves, that members of any Team, Coaches and/or Staff wear or use or may be reasonably expected to wear or use while participating in their respective Program Activities;
 - (4) Sports equipment including balls, protective equipment, protective eyewear, eyewear with performance attributes and sunglasses, body-worn (or handheld) activity tracking/monitoring devices and watches, and such other equipment as NIKE may add to its product lines at any time during the term of this Agreement and subject to the provisions of Paragraph 15 but specifically excluding football helmets, volleyballs, golf clubs, golf balls, baseball and softball bats, baseball and softball fielding gloves, baseball and softball batting helmets, lacrosse sticks, lacrosse helmets and lacrosse gloves (collectively, "Equipment").
- (p) "NIKE Products" shall mean all Products in connection with which, or upon which, the NIKE name, the Swoosh design; the NIKE AIR design, the Basketball Player Silhouette ("Jumpman") design or any other trademarks or brands now or hereafter owned and/or controlled by NIKE (collectively, "NIKE Marks") appear.
- (q) "Celebration Apparel" shall mean a product (e.g., T-shirts, sweatshirts and caps) bearing UNIVERSITY Marks which is designed to commemorate UNIVERSITY's participation in a championship event (e.g., bowl game, tournament or national championship), victory in a championship event, or a Team member's receipt of a national-level award (e.g., Heisman Trophy).
- (r) "Net Sales" shall mean the gross wholesale revenue received by members of the NIKE Group from the sale of "Licensed Products" (as defined below), less cash, trade, sales and other program discounts, adjusted for legitimate merchandise returns credited to NIKE's customers; provided, however, that Net Sales shall not include sales of any such Licensed Products sold under license by an independent

licensee of NIKE. Net Sales shall be net sales as are computed by NIKE's accounting system, guidance for which is established by generally accepted accounting principles.

(s) "Performance Apparel" shall mean any apparel, including golf/polo shirts, containing technical fabrications developed with the purpose of aiding the athletic performance of the wearer (e.g., apparel that includes, among other features, moisture management properties, the regulation of temperature and/or seamless construction, etc.). These fabrications and/or properties must be marketed as features of the apparel through hangtags, jocktags, other labels on the product, or other means. For clarity, "Performance Apparel" does not include nonperformance fleece (e.g., cotton or cotton/poly sweatshirts)."

2. TERM.

This Agreement shall remain in full force and effect for a period of 11 Contract Years, from July 1, 2017, through and including May 31, 2028, unless sooner terminated or extended in accordance with the terms and conditions hereof (the "Term").

3. GRANT OF ENDORSEMENT RIGHTS.

Subject to the terms and conditions of this Agreement, UNIVERSITY hereby grants to NIKE, NIKE, Inc. and NIKE Innovate C.V., and their successors and assigns, and such NIKE entities hereby accept:

- (a) The designation as the "exclusive supplier of athletic footwear, apparel, accessory and equipment and sponsor of (each Program)" and/or such similar designations as the parties may agree upon (collectively, the "Designations"); and
- (b) The right to utilize (subject to the terms and conditions of this Agreement) the UNIVERSITY Marks, Coach Properties and/or Designations worldwide, in any media (now known or hereafter created) including the worldwide web and other interactive and multi-media technologies, in connection with the manufacture, advertising, marketing, and promotion of NIKE Products or brands. Such rights shall specifically include the following:
 - (1) The exclusive right to supply Products for each Program and to use the Designations;
 - (2) The right to manufacture and sell (subject to Paragraph 4) NIKE Products bearing or incorporating UNIVERSITY Marks and to conduct promotions with and through NIKE retail accounts and via the internet; and
 - (3) The right to use game photographs videotape and/or film footage of any and all Programs subject to applicable Conference and NCAA rules and regulations with respect to the depiction of eligible athletes in connection therewith. At NIKE's request, UNIVERSITY shall permit NIKE to utilize, consistent with this Paragraph 3, UNIVERSITY game photographs and footage (where owned or controlled by UNIVERSITY), without a use fee, other than reasonable search and edit charges.

4. RETAIL LICENSING RIGHTS AND ROYALTIES.

- UNIVERSITY hereby grants to NIKE, and NIKE hereby accepts, the (1) exclusive worldwide right and license to manufacture and sell at retail the following Products bearing or incorporating UNIVERSITY Marks: (A) Authentic Competition Apparel, (B) all jersey silhouettes (e.g., authentic, replica, alternative, throwback and fashion jerseys) for all Programs, (C) all fitted or flex-fitted headwear, (D) Apparel Products and headwear bearing the "O" trademark, any trademark or logo incorporating the "O" trademark, or any trademark that replaces the "O" trademark during the Term as UNIVERSITY's primary trademark in relation to its Athletic Programs, (E) Performance Apparel, and (F) Celebration Apparel (subject to Paragraph 4(c)); and (2) non-exclusive worldwide right and license to manufacture and sell at retail NIKE Products other than the categories of Products in subparagraphs 4(a)(1)(A)-(F) above, bearing or incorporating UNIVERSITY Marks, and/or game photographs and footage (products described in (1) and (2) collectively, "Licensed Products").
- Throughout the Term, NIKE shall pay to UNIVERSITY royalties, based on Net (b) Sales of Licensed Products, at a rate of 15% for all Licensed Products (excluding footwear). NIKE shall pay to UNIVERSITY royalties based on Net Sales of footwear Licensed Products at a rate of 5%. Within 60 days after the end of each calendar quarter, NIKE shall provide UNIVERSITY with a complete and accurate statement (on NIKE's standard royalty reporting form, subject to UNIVERSITY's approval of such form, such approval not to be unreasonably withheld) of sales and the calculation of Net Sales, for the preceding reporting period and, simultaneously with the submission of such quarterly statements, shall pay all royalties due UNIVERSITY on such sales. All delinguent amounts not paid when due pursuant to the foregoing requirement shall be charged the maximum rate of interest permitted under applicable law but not to exceed 1.5% per month or any portion thereof during which said amount remains delinguent. Licensed Products shall not be used for any third-party giveaway or other premium purpose without UNIVERSITY's prior approval. UNIVERSITY agrees that royalties shall be waived for any Licensed Products provided free of charge by NIKE to UNIVERSITY for use by any Coach, Staff and/or Team members of UNIVERSITY's Programs. Upon expiration or termination of this Agreement for any reason, NIKE shall have the right, for a period of six months, to complete and dispose of any Licensed Products which are on-hand or in-process and fulfill orders received prior to the effective date of expiration or termination, provided royalties thereon are paid and reported in accordance with the provisions of this Agreement.
- (c) Upon learning of the need for Celebration Apparel, UNIVERSITY shall promptly notify NIKE and, subject to applicable Conference, bowl game, tournament, NCAA or similar governing rules and regulations with respect to such Celebration Apparel, NIKE shall have the exclusive right to supply such Celebration Apparel. If NIKE does not agree to supply the Celebration Apparel within five business days after receiving the notice from UNIVERSITY, UNIVERSITY may enter into an agreement with a third party to supply such Celebration Apparel provided (i) such third party is not also engaged in the manufacture or sale of athletic footwear, and (ii) any Celebration Apparel supplied by a third party shall not bear (x) any cameravisible brand or manufacturer identification incorporated within either the garments

graphic design, labels, hangtags or otherwise or (y) the "O" trademark. If NIKE agrees to supply the Celebration Apparel, it shall have the exclusive right and license to manufacture and sell the Celebration Apparel.

- (d) Notwithstanding the foregoing, UNIVERSITY may enter into a license agreement with a third-party official organizer of a bowl game, tournament or national championship (e.g., Pac-12 Conference or NCAA) for use of the UNIVERSITY Marks on Products bearing the event logo and the trademarks of all participating teams, provided such Products do not bear, within the Products' graphic design, labels, hangtags or otherwise, any brand or other identification of a third-party manufacturer or seller of footwear.
- (e) Notwithstanding the foregoing, UNIVERSITY may contract with a third-party licensee (without notice to NIKE) to produce apparel (but not headwear) bearing the "O" trademark for distribution to the following types of internal UNIVERSITY groups: organizations and clubs of then currently enrolled students, UNIVERSITY academic departments, alumni association directors, and groups of active UNIVERSITY employees for use solely in connection with events in which the applicable group is participating; provided that, in all cases, (i) such third-party licensee is not a footwear manufacturer, (ii) the apparel is not made available at retail, (iii) production is limited in each instance to no more than 1000 units, (iv) the design of the apparel is not substantially similar to the design of any NIKE licensed products, (v) the apparel clearly includes the UNIVERSITY's "Signature Mark" and the name of the organization, club, department or group and does not include "O" trademark standing alone, and (vi) such third-party licensee does not include any external branding on the apparel. In the event UNIVERSITY's order is for more than 1000 units, UNIVERSITY shall first provide NIKE an opportunity to fill the applicable order. If NIKE either declines such opportunity or does not otherwise respond to such a request from UNIVERSITY within five business days, UNIVERSITY may contract with a third-party licensee for the applicable order without further notice to NIKE (provided UNIVERSITY otherwise complies with the parameters of this subparagraph).
- (f) NIKE shall keep and maintain accurate books and records relating to its royalty payments on Licensed Product sales. UNIVERSITY and its duly authorized representative shall have the right, upon 30 days' prior written notice, at its cost, to examine and audit such books and records and to make extracts and copies thereof during NIKE's business hours and upon no less than ten business days' prior notice (and not more than once each Contract Year). Should an audit pursuant to this subparagraph establish a deficiency of more than 5% between the amount due to UNIVERSITY and the amount actually paid by NIKE, within 45 days of NIKE's receipt of written notice of any such deficiency, NIKE shall pay the amount of the deficiency together with the reasonable cost of such audit. All books and records required to be maintained by NIKE hereunder shall be kept for at least two years after the end of the Contract Year to which they relate, and any royalties paid with respect thereto shall be deemed incontestable after such two-year retention period.
- (g) All Licensed Products shall meet and conform to the high standards of quality, style and appearance of UNIVERSITY. Prior to any commercial production or distribution of any Licensed Product, NIKE shall, at its expense, submit to

UNIVERSITY (or its agent) for approval, which approval shall not be unreasonably withheld, the finished artwork and design for each Product showing the proposed use of a UNIVERSITY Marks. UNIVERSITY shall use best efforts to notify NIKE of the approval or disapproval of the submitted item within ten business days of receipt thereof. UNIVERSITY's approval or disapproval shall be in writing. If a submission is disapproved, UNIVERSITY's written notice thereof shall set forth in reasonable detail the basis for such disapproval. Any submitted item that has not been disapproved within 20 calendar days of receipt by UNIVERSITY (or its agent) shall be deemed approved. Once the artwork/design for a submitted item is approved, NIKE shall not depart therefrom in any material respect without resubmission of the item and obtaining UNIVERSITY's further approval. Upon product production, NIKE shall, at its expense, provide UNIVERSITY with a random pre-production sample, or a production sample from the first manufacture run, for UNIVERSITY's comparison for conformance to the approved artwork/design and inclusion in its files. UNIVERSITY retains the rights to approve or disapprove any third-party marks used with UNIVERSITY Mark(s) on Licensed Products consistent with this subparagraph.

- (h) UNIVERSITY grants NIKE a non-exclusive license throughout the world to use UNIVERSITY Marks in the names of certain NIKE Products and on related packaging, tags, marketing and advertising. Such Products shall not be royaltybearing "Licensed Products" as defined in this Agreement. If the applicable UNIVERSITY Marks do not appear on the Products themselves. UNIVERSITY retains sole rights to approve or disapprove the use of UNIVERSITY Marks on Products and related packaging, tags, marketing and advertising, as provided in this Agreement. UNIVERSITY retains the rights to approve or disapprove any thirdparty Marks used with UNIVERSITY Mark(s) on Licensed Products.
- (i) Neither UNIVERSITY, nor any of its licensing agents (but only with respect to UNIVERSITY Marks), shall enter into, extend or renew any license with adidas, Reebok, Puma, Under Armour, 4004 Incorporated and/or their brands, controlled brands or licensees. Further UNIVERSITY shall not permit the sale within any UNIVERSITY-controlled venue (e.g., stadium or arena concessions) or retail establishment (e.g., UNIVERSITY book store) any product manufactured or sold by any of the foregoing companies, brands, controlled brands or licensees, if UNIVERSITY controls the concession and/or retail operations therein. In the event such concession and retail operation rights have been outsourced to a third party, UNIVERSITY agrees to advise such third party of UNIVERSITY's commitment to NIKE-brand exclusivity and UNIVERSITY's contractual commitment to support such exclusivity at retail.
- (j) Notwithstanding the foregoing, UNIVERSITY shall be able to license UNIVERSITY Marks (not including the "O" trademark) to Columbia Sportswear for use only on Columbia-branded weatherproof outerwear, windshirts and polo shirts.
- 5. NIKE'S PRODUCT SUPPLY OBLIGATIONS.
 - (a) In partial consideration for the rights granted under this Agreement, each Contract Year, UNIVERSITY shall be entitled to order directly from NIKE, and receive, the below-indicated amounts of NIKE Products for use by (or in connection with) the Programs, Program Activities, Game Entertainment Activities, Department-

Related Activities, and such other purposes as UNIVERSITY and UNIVERSITY's Athletic Director may deem appropriate to support the relationship between UNIVERSITY and NIKE. All Products shall be of high quality, consistent with the quality of Products supplied by NIKE to other elite athletic programs. The aggregate retail value of supplied product that UNIVERSITY may order for each Contract Year shall be as set forth in the table below (each, an annual "Supplied Product Limit") unless otherwise adjusted as provided under this Paragraph.

1 st Contract Year (2017-18)	\$5,000,000
2 nd Contract Year (2018-19)	\$5,100,000
3 rd Contract Year (2019-20)	\$5,200,000
4 th Contract Year (2020-21)	\$5,300,000
5 th Contract Year (2021-22)	\$5,400,000
6 th Contract Year (2022-23)	\$5,500,000
7 th Contract Year (2023-24)	\$5,600,000
8 th Contract Year (2024-25)	\$5,700,000
9 th Contract Year (2025-26)	\$5,800,000
10 th Contract Year (2026-27)	\$5,900,000
11 th Contract Year (2027-28)	\$6,000,000

- (b) UNIVERSITY acknowledges that:
 - (1) Each Contract Year, UNIVERSITY shall be permitted to carry-over a credit up to \$400,000 (retail value), unless otherwise agreed, for any unordered annual allotment of Products from such Contract Year to the subsequent Contract Year. UNIVERSITY will notify NIKE as soon as practicable if UNIVERSITY anticipates it will carry-over a credit to a subsequent Contract Year.
 - (2) In any Contract Year, UNIVERSITY may elect to adjust the Base Compensation and the Supplied Product Limit applicable to such Contract Year as follows: UNIVERSITY may (x) increase its Base Compensation by up to \$100,000 and reduce its Supplied Product Limit by up to \$300,000 (on a 1:3 ratio); or (y) reduce its Base Compensation by up to \$100,000 and increase its Supplied Product Limit by up to \$300,000 (on a 1:3 ratio). UNIVERSITY must notify NIKE in writing of any such election on or before the time UNIVERSITY places its annual Product order.
 - (3) Annual product allotments shall be delivered to UNIVERSITY generally one month prior to the start of the regular season for each Program and annual allotments must typically be ordered 9-12 months in advance of each season to ensure timely delivery.
 - (4) Products may be, at NIKE's discretion, NIKE "in-line" product (i.e., product that does not bear UNIVERSITY Marks) and may or may not bear any NIKE Marks.

- (5) The exact styles, sizes, delivery dates and, where appropriate, quantities of the NIKE Products supplied under this Paragraph shall be mutually determined by NIKE and UNIVERSITY and subject to availability.
- (6) Certain NIKE sports equipment and accessory Products requested by UNIVERSITY for its use as required under this Agreement may, at the time of such request, not be commercially available, and NIKE's inability to provide such requested Product on such occasions shall not be deemed a violation or breach of this Agreement. In the event UNIVERSITY requires Products for Team use that NIKE neither manufactures nor elects to source as provided above, UNIVERSITY may use and/or wear such Product manufactured by a third party ("Competitive Product"); provided, however, UNIVERSITY shall not endorse or otherwise advertise or promote its use of such Competitive Product and shall switch to the use of Product manufactured by NIKE at such time as such Product may become available through NIKE.
- (c) Any Product that is supplied to UNIVERSITY in furtherance of this Agreement shall be credited by NIKE against the Supplied Product Limit unless otherwise agreed between UNIVERSITY and NIKE. For example, if NIKE desires to seed a Program with a newly developed product or technology or NIKE desires the support of UNIVERSITY for a brand or product initiative, the parties may agree not to credit the costs against the Supplied Product Limit. If in any Contract Year UNIVERSITY requires any additional Products for use by any Program(s), Department-Related Activities or Game Entertainment Activities in an amount greater than the Supplied Product Limit (and any additional Products supplied as part of a seeding strategy or initiative pursuant to this subparagraph), UNIVERSITY shall purchase any and all such Products directly from NIKE or such authorized NIKE team dealer designated by NIKE, and in no event shall UNIVERSITY purchase such Products from any third party. NIKE's sale of such Products to UNIVERSITY shall be at NIKE published wholesale price, subject to availability. In addition, UNIVERSITY shall be permitted to order other NIKE Products for use by any Program(s) at NIKE's published wholesale price, subject to availability.
- (d) All product to be supplied by NIKE hereunder shall be delivered F.O.B. to UNIVERSITY. Only properly submitted orders from UNIVERSITY's Athletic Director or any authorized representative of UNIVERSITY's Athletic Director shall be filled by NIKE.
- (e) NIKE shall not be liable to UNIVERSITY for any injury or damage suffered from wearing or using NIKE Products, except such injury or damage resulting from NIKE's adjudicated negligence. UNIVERSITY specifically waives, only as against NIKE, all warranties, expressed or implied, of merchantability or fitness for a particular purpose.

6. PROMOTIONAL APPEARANCES.

In connection with the promotion of NIKE Products and/or the NIKE brand, each Contract Year, upon reasonable prior notice and subject to any coaching commitment, if so requested by NIKE, UNIVERSITY shall make the Coach of each Program available for up to three personal appearances on behalf of NIKE. No single appearance shall exceed 24

hours in duration, including travel time, unless otherwise agreed upon in advance. Such appearances may include photo shoots, production sessions related to filming commercials, video productions or advertising, retail store appearances, trade shows, speaking engagements, appearances at sports clinics, celebrity events and other public appearances. UNIVERSITY shall receive no additional compensation for such appearances. NIKE shall pay all reasonable and necessary document out-of-pocket expenses of each Coach, or the basketball team if applicable, in connection with any appearance hereunder.

7. NIKE SPONSOR BENEFITS.

As the exclusive footwear, apparel and accessories product supplier of UNIVERSITY, each Contract Year, UNIVERSITY shall provide NIKE with the following promotional benefits at no additional cost to NIKE except as otherwise indicated:

(a) NIKE shall receive tickets to home games (and neutral site or away games as indicated below) for each Program in accordance with the following:

PROGRAM	NO. OF TICKETS			
Football	20			
Football (neutral/away)	6			
Basketball (M)	6			
Basketball (M) (neutral/away)	Option to purchase 4*			
Basketball (W)	6			
All Other Programs	4			
Each football bowl game (including each College Football Playoff Game)	20			
Each other postseason competition for all programs (including any football conference championship game)	10			
*To be purchased by NIKE from UNIVERSITY at ticket face value.				

Each Contract Year, NIKE shall receive upon prior request: (i) up to 110 tickets (in lieu of the above indicated 20 tickets) to one mutually agreed upon football game; (ii) 30 tickets (in lieu of the above indicated six tickets) to one mutually agreed upon men's basketball game; and (iii) 30 tickets (in lieu of the above indicated six tickets) to one mutually agreed upon women's basketball game (collectively, "NIKE Gameday"). All tickets provided under the foregoing provisions shall be the best available single-game tickets; provided however, UNIVERSITY shall use its best efforts to provide: (i) adjacent seats; (ii) football tickets that are field level and between the 30-yard lines; (iii) basketball tickets that are prime location seating. UNIVERSITY shall also use its best efforts to fulfill NIKE's requests for such

additional quantities of tickets as it may reasonably request, such tickets to be best available.

- (b) UNIVERSITY shall provide NIKE with the following promotional benefits at no additional cost to NIKE except as otherwise indicated:
 - (1) "VIP" parking at all football games;
 - (2) an exclusive area located at the football stadium and (subject to availability) one near the basketball arena, for NIKE hospitality events in conjunction with each home game;
 - (3) A hospitality event, at NIKE's expense excluding any facility rental fee, for football and basketball NIKE Gameday ticket holders (which may include, for example, a welcome reception (subject to the availability of space])and/or tour of facilities);
 - (4) At each home game of each Program at which a public-address system and/or electronic message board (or other electronic messaging systems) is used, as applicable, suitable in-game P.A. announcements and/or board messages recognizing NIKE as the exclusive Products supplier and sponsor of UNIVERSITY's Program;
 - (5) UNIVERSITY shall use its best efforts to provide NIKE with one full-page, four-color NIKE advertisement in every game program⁻ published at no cost to NIKE other than producing the camera-ready ad;
 - (6) The opportunity to stage promotional events and/or contests around mutually agreed upon home games/competitions, which events or contests may occur pregame, during half-time or post-game;
 - (7) Reasonable access to Program activities, where appropriate, for the purpose of shooting game-action photographs, film or videotape footage and/or conducting and taping post-game interviews;
 - (8) UNIVERSITY shall use its best efforts to obtain NIKE Product placement in campus stores (e.g., UNIVERSITY bookstores) system-wide, and/or to establish NIKE Shops and/or NIKE concept shops therein, and the right to display and sell NIKE Products at UNIVERSITY's football stadium and basketball arena concessions stands and/or stores during all games (regardless of the sport) held therein;
 - (9) The right to display and sell NIKE Products at UNIVERSITY's football stadium and basketball arena concessions stands and/or stores during all games (regardless of the sport) held therein around mutually agreed upon home games/competitions;
 - (10) NIKE shall be permitted, upon its reasonable request and subject to availability, to use mutually agreed upon UNIVERSITY facilities under the control of the Athletic Department in connection with community-based programs and events held by NIKE;

- (11) In addition to the above, UNIVERSITY shall afford NIKE advance notice and the opportunity to consider participation (at NIKE's expense) in any and all additional advertising opportunities, in any media, made available by UNIVERSITY during the Term.
- (12) Prominent NIKE name and/or logo recognition in the media guides, schedule cards, posters, newsletters and other sports-related publications or collateral materials for each Program as well as in all appropriate athletic brochures and collateral and promotional materials, including videos, generated or commissioned by UNIVERSITY.
- (c) In addition to the foregoing, UNIVERSITY shall provide NIKE with the following program-specific promotional benefits at no additional cost to NIKE except as otherwise indicated:
 - (1) Football
 - UNIVERSITY shall use its best efforts to provide NIKE with identification as the exclusive Products supplier and sponsor of UNIVERSITY's Programs during each Coach's show telecast, through a minimum of two 30-second spots per telecast; and
 - (ii) Prominent game-day signage in UNIVERSITY's football stadium, with the placement and size of such signage to be mutually agreed upon.
 - (2) Men's Basketball
 - UNIVERSITY shall use its best efforts to provide NIKE with identification as the exclusive Products supplier and sponsor of UNIVERSITY's Programs during each Coach's show telecast, through a minimum of one 30-second spot per telecast; and
 - (ii) Prominent signage (courtside, if available) in UNIVERSITY's men's basketball arena, with the placement and size of such signage to be mutually agreed upon.
 - (3) Women's Basketball
 - UNIVERSITY shall use its best efforts to provide NIKE with identification as the exclusive Products supplier and sponsor of UNIVERSITY's Programs during each Coach's show telecast, through a minimum of one 30-second spot per telecast; and
 - (ii) Prominent signage (courtside, if available) in UNIVERSITY's women's basketball arena, with the placement and size of such signage to be mutually agreed upon.

8. USE OF NIKE PRODUCTS.

- (a) Throughout the Term, UNIVERSITY shall make NIKE Products available on an exclusive basis to each Program, and shall ensure that Team members, Coaches and Staff wear and use such NIKE Products during Program Activities (including photo sessions and interviews) during which Team members, Coaches and Staff wear and/or use Products except as otherwise provided under this Paragraph and Paragraph 5. UNIVERSITY shall require all Coaches and Team and Staff members to wear and/or use exclusively NIKE Products during such activities. NIKE acknowledges that (1) any Coach's wearing of non-athletic footwear and apparel in connection with his or her official coaching duties; and (2) any Team member's wearing of dress apparel (suits, dress slacks, dress shirts, ties) during Team travel or award celebrations; as appropriate, shall not constitute breaches of this Paragraph.
- (b) UNIVERSITY shall ensure that no Team member, Coach or Staff member shall:
 - (1) Alter or permit the alteration of any NIKE Product supplied hereunder to resemble a non-NIKE Product; or
 - (2) Wear any non-NIKE Products that have been altered to resemble NIKE Products.
- (c) UNIVERSITY shall ensure that during all Program Activities no Team member, Coach or Staff member shall wear and/or use any athletic footwear or other Products manufactured by companies other than NIKE, except as permitted under Paragraph 8(a) and under subparagraphs (1) and (2) below.
 - If after having used NIKE footwear, a Team member shall at any time suffer (1)any significant foot pain or discomfort attributable to such footwear, and is verified in writing by the Team's physician, UNIVERSITY shall promptly notify NIKE of such occurrence. Upon receipt of such notice, NIKE shall diligently seek to address such Team member's foot pain or discomfort and UNIVERSITY shall fully cooperate with NIKE in its efforts to satisfy such Team member's special footwear requirements, including using UNIVERSITY's best efforts to encourage such Team member to fully cooperate with NIKE's remedial efforts and by facilitating such cooperation by the Team member. To the extent permissible under applicable NCAA and UNIVERSITY rules and regulations, such facilitation by UNIVERSITY may include requesting that the Team member (i) make himself or herself available to be examined (at NIKE's cost) by a podiatrist or other qualified physician (located within the UNIVERSITY metropolitan area) to assist NIKE in determining and verifying the nature and extent of the Team member's foot pain or discomfort connected with the use of such NIKE footwear, (ii) make himself or herself available to NIKE for design consultations and/or tests conducted by NIKE's footwear research and design personnel to determine any special requirements of Team member's foot characteristics, (iii) wear-test customized footwear developed by NIKE to meet such special requirements, and (iv) provide NIKE with product feedback, as requested by NIKE, concerning Team member's findings with respect to such wear-testing (collectively,

"Remedial Efforts"). During the period NIKE is engaged in Remedial Efforts, NIKE shall directly furnish Team member with footwear of his or her choice (produced by any manufacturer whatsoever) but with all visible manufacturer's identification removed or otherwise covered so as to completely obscure such manufacturer's identification.

- (2) If notwithstanding Remedial Efforts, a Team member is still unable to wear NIKE footwear, then such Team member shall be permitted to wear non-NIKE footwear provided all visible manufacturer's identification is removed or otherwise covered so as to completely obscure such manufacturer's identification.
- (d) UNIVERSITY acknowledges that the placement of the NIKE logo, as it is currently permitted by the NCAA and now placed by NIKE (in terms of size, location placement, color contrast/prominence and/or number of placements), on Authentic Competition Apparel and footwear is a bargained for material benefit contemplated by NIKE under this Agreement and that such continued degree of manufacturer logo prominence on competition product is of the essence of this Agreement. Accordingly, during the Term, UNIVERSITY shall take no action, including the adoption or accession to any restriction, prohibition or regulation, that shall have the effect of relocating (except for a more favorable placement should a subsequent relaxation in rules so permit), reducing, or restricting NIKE's logo placement rights on product as such logo now appears and is permitted by current relevant NCAA rules or regulations including NCAA Rule 12.5.4. Notwithstanding anything contained in this subparagraph, UNIVERSITY further acknowledges that nothing herein shall be construed as a restriction of any right of NIKE to avail itself of such more favorable presentation or placement of its logo (e.g. size, color contrast, number of placements, location of placement, etc.) as may be currently permitted under NCAA, Conference and/or other applicable rules, or hereafter permitted by any subsequent relaxation in NCAA, Conference and/or other applicable rules.
- (e) UNIVERSITY acknowledges that "polishing-out", "spatting" or otherwise taping, so as to cover or obscure any portion of any NIKE logo, the NIKE athletic shoes worn by members of the Teams during Program Activities, during which Team members wear athletic shoes, is inconsistent with the purpose of this Agreement and the benefits to be derived from it by NIKE and is a material breach of this Agreement. (i) Notwithstanding the foregoing, occasional, isolated spatting or taping as is deemed to be a bona-fide medical necessity for the particular ankle/foot that is injured (which shall not include the spatting or taping of the footwear on the other ankle/foot if not medically necessary), and so evidenced by a prior written opinion from a physician or athletic trainer and confirmed in writing to NIKE prior to the relevant game by the Coach in the form of a list of the Team members/feet that are the subject of such opinion(s) (except in instances where such determination is made in-game/in-training in response to a then-sustained injury), shall not be deemed a breach of this Agreement. This subparagraph does not apply to interior taping (i.e., taping under or over the sock but inside the shoe) of Team members' feet and/or ankles. NIKE acknowledges UNIVERSITY's obligation to safeguard protected health information as required by law.

- (f) UNIVERSITY shall ensure that all UNIVERSITY students participating in Game Entertainment Activities or Department-Related Activities shall wear exclusively NIKE footwear and NIKE (or unbranded) Apparel Products.
- (g) UNIVERSITY shall not distribute any Products manufactured by companies other than NIKE in connection with Department-Related Activities.
- (h) UNIVERSITY shall not permit the trade name, trademark, name, logo or any other Identification of any person, company or business entity other than NIKE, a Team member, or UNIVERSITY if approved by NIKE, to appear on NIKE Products worn or used by Coaches, Staff or Team members.
- (i) NIKE acknowledges that the use (including the incidental display of any NIKE Marks thereon) of balls, bats and sports timing devices by any Team shall be subject to compliance with technical specification and logo display standards, if any, set by the Conference or the NCAA.
- 9. DESIGN & MARKETING CONSULTATION.
 - (a) UNIVERSITY acknowledges NIKE's industry leadership in the design of performance products and its expertise and innovation in the area of sports marketing and that such leadership, expertise and innovation is a material inducement to UNIVERSITY's entrance into this Agreement. NIKE shall continue its efforts to produce high quality Products through consultation with coaches and staff of successful athletic programs such as UNIVERSITY's and whose full cooperation is important to NIKE, as such individuals have knowledge that can be useful in the research, development and production of NIKE Products, and is of the essence of this Agreement. Upon reasonable request by NIKE, UNIVERSITY shall require designated Coaches and Staff to provide NIKE with written or oral reports concerning the NIKE Products supplied to each through NIKE's product development and testing program. Such reports shall address the fit, wear characteristics, materials and construction techniques of such Products.
 - (b) UNIVERSITY acknowledges that a material inducement to NIKE's entrance into this Agreement is to provide broad and prominent exposure for the NIKE brand and particular Product models and styles. Accordingly, UNIVERSITY shall require the use, in practices and games, by such Teams as NIKE may request, such specific models and/or styles of NIKE Products as NIKE may designate from timeto-time. UNIVERSITY further acknowledges that this undertaking is a material term, and is of the essence of this Agreement.
 - (c) The parties shall endeavor in good faith throughout the Term to develop plans and methods to market and/or promote the activities and accomplishments of the Teams, UNIVERSITY's endorsement of NIKE Products, and the sale of Licensed Products. The parties shall cooperate with each other to facilitate the advancement of new ideas and approaches in the development of such marketing and promotional plans, and to take advantage of joint marketing and promotional opportunities. If NCAA and Conference rules and/or regulations change during the Term and become less restrictive, UNIVERSITY shall consider, in good faith, such additional exposure opportunities as may be presented to it by NIKE as are consistent with such new rules and/or regulations. UNIVERSITY and NIKE shall

meet at least quarterly each Contract Year in connection with fulfilling their obligations pursuant to this Paragraph.

10. CASH COMPENSATION.

(a) NIKE shall pay UNIVERSITY Base Compensation as follows: (i) a one-time payment of \$3,000,000 to be paid within 30 days of full execution this Agreement (the "Advance") and (ii) the annual amounts set forth in the following table, to be paid in two equal semi-annual installments on December 1 and May 1 of each Contract Year. All payments of Base Compensation are subject to all terms and conditions of this Agreement (e.g., any applicable prorations, reductions, etc.). For purposes of determining any annualized or annual scheduled Base Compensation, the Advance will be prorated equally over the 1st through 11th Contract Years.

1 st Contract Year (2017-18)	\$2,000,000			
2 nd Contract Year (2018-19)	\$2,000,000			
3 rd Contract Year (2019-20)	\$2,000,000			
4 th Contract Year (2020-21)	\$2,000,000			
5 th Contract Year (2021-22)	\$2,000,000			
6 th Contract Year (2022-23)	\$2,000,000			
7 th Contract Year (2023-24)	\$2,500,000			
8 th Contract Year (2024-25)	\$2,500,000			
9 th Contract Year (2025-26)	\$2,500,000			
10 th Contract Year (2026-27)	\$2,500,000			
11 th Contract Year (2027-28)	\$2,500,000			

(b) UNIVERSITY acknowledges that the principal inducements for NIKE's entrance into this Agreement are: (i) the wide-spread national television and other media exposure that the Flagship Programs annually receive, and (ii) the accompanying prominent brand exposure NIKE receives through the placement of the NIKE logo, as it currently appears (in terms of size, location placement, color prominence and/or number), on Authentic Competition Apparel and that such continued exposure is of the essence of this Agreement. Accordingly, if in any Contract Year either the men's basketball or football Program is banned from television appearances or if, for any reason, NIKE's logo placement rights are substantially diminished (in terms of size, location placement, color prominence and/or number), in lieu of NIKE's exercise of its termination right under Paragraph 17, then for such Contract Year NIKE shall have the right to implement a reduction in UNIVERSITY's scheduled Base Compensation, up to the maximum reductions indicated below:

PROGRAM	% REDUCTION
Football	60%
Basketball (M)	50%

If NIKE logo placement rights are diminished in a manner other than as enumerated above, NIKE shall have the right to in good faith equitably reduce scheduled Base Compensation to be paid UNIVERSITY going forward taking into account the nature and extent of the diminution of rights.

- (c) UNIVERSITY further acknowledges that (i) the principal inducement for NIKE's entrance into this Agreement is the exposure that the NIKE brand receives through the prominent visibility of the NIKE Swoosh Design. logo (or other NIKE logo) that appear on the side (and other locations) of the football shoes worn by members of the football team, (ii) such continued brand exposure is of the essence of this Agreement, and (iii) the "polishing-out, "spatting" or taping of football shoes in any manner so as to cover or obscure any portion of any NIKE logo is inconsistent with the purpose of this Agreement and the expected benefits to be derived from it by NIKE and is a material breach of this Agreement (other than as specifically permitted under Paragraph 8(e)(i)). Accordingly, if members of the football team shall polish-out, spat, or otherwise tape their NIKE footwear, in lieu of NIKE's exercise of its termination right under Paragraph 17 (if any), NIKE in its exercise of discretion shall have the right to reduce UNIVERSITY's annual scheduled Base Compensation (for the Contract Year in which such polishing-out, spatting or taping occurs) as follows:
 - (1) For each and any game in which five or more Team members' shoes appear on-field (in game action) polished-out, spatted, or taped for any reason (including as permitted under Paragraph 8(e)(i)) [e.g., if both of a Team member's shoes are spatted then that counts as two such appearances], NIKE shall have the right to reduce UNIVERSITY's annual scheduled Base Compensation by 1% per shoe (in excess of five shoes) that has been so polished out, spatted or taped, up to a maximum of 5% per game.
 - (2) For each Team member that shall appear on-field (in game action) with polished-out, spatted, or taped footwear in any season for any reason (other than as specifically permitted under Paragraph 8(e)(i)) after NIKE has provided UNIVERSITY with written notice of such occurrence by such Team member, NIKE shall have the right to reduce UNIVERSITY's annual scheduled Base Compensation by 2% for the next occurrence following such notice, and an additional 2% for each occurrence by such Team member thereafter.
- (d) In addition to the Base Compensation set forth above, NIKE shall pay UNIVERSITY cash bonuses as set forth on Schedule A for the indicated performance bonuses achieved by the football Team for any Contract Year, each such bonus to be paid within 30 days of NIKE's receipt of written notification from UNIVERSITY that such bonus has been earned. Notwithstanding the foregoing, UNIVERSITY acknowledges that if it is subject to sanctions in which any of the accomplishments resulting in a bonus is vacated, UNIVERSITY shall be required to return to NIKE any performance bonus paid for such vacated accomplishment within 60 days of notice from NIKE (or, if UNIVERSITY so elects, NIKE may offset such amounts against future cash payments due to UNIVERSITY).

11. ADDITIONAL CONSIDERATION & TERMS.

- (a) In support of NIKE's Global Community Impact programming, UNIVERSITY agrees to exercise best efforts each Contract Year to provide NIKE with 50 general admission tickets to one home game for each Flagship Program to enable NIKE to invite youth from the Boys & Girls Club of America or a comparable non-profit program to attend the games. UNIVERSITY agrees that each Contract Year it will provide to NIKE advance written notification of the availability of such tickets and the designated game dates and number of tickets which it will provide to NIKE.
- (b) Each Contract Year, NIKE shall offer two summer intern positions to enable students attending UNIVERSITY to take part in NIKE's internship program by working for NIKE. As consideration for such position, NIKE shall offer each participating student, at NIKE's election, either: (1) a salary at NIKE's prevailing rate of pay for such position, or (2) academic credit, as approved in writing by UNIVERSITY. NIKE shall be solely responsible for complying with all federal and state tax withholding and reporting obligations in connection with any salary paid to such students hereunder. Students applying for intern positions must comply with all timelines and other procedures established by NIKE.

12. ADVERTISING APPROVALS.

In the event NIKE desires to use the UNIVERSITY Marks in any consumer advertising or promotion, NIKE shall first submit a sample or the concept of the proposed advertisement or promotion to UNIVERSITY for approval, which approval shall not be unreasonably withheld. UNIVERSITY shall use its best efforts to advise NIKE of its approval or disapproval of the sample or concept within ten calendar days of its receipt thereof. UNIVERSITY'S approval, or disapproval, shall be in writing. (If a submission is disapproved, UNIVERSITY's written notice thereof shall set forth in reasonable detail the basis for such disapproval.) Any submitted item that has not been disapproved within ten calendar days of receipt by UNIVERSITY shall be deemed approved. Once a submitted sample or concept is approved, NIKE shall not depart therefrom in any material respect without re-submission of the item and obtaining UNIVERSITY's further approval.

13. DEVELOPMENT OF NEW LOGO & TRADEMARK OWNERSHIP.

If UNIVERSITY desires to develop an additional trademark, service mark, symbol, (a) character and/or logographic representing UNIVERSITY's Programs (collectively, "New Logo"), UNIVERSITY shall in writing notify NIKE of such intention and agrees to meet with NIKE, upon NIKE's request, to discuss in good faith the use of NIKE's services to design such New Logo. Such discussions must occur prior to UNIVERSITY's engaging in negotiations with any third party to provide such design services should UNIVERSITY elect to have NIKE undertake such design assignment, NIKE shall provide such design services at no expense to UNIVERSITY except as provided below. In the event NIKE designs such New Logo and it is approved by UNIVERSITY, then UNIVERSITY shall be the sole owner of all right, title and interest in and to the New Logo but NIKE shall have the exclusive right during the Term to develop, promote, market and sell Products bearing the New Logo, including replica items of Authentic Competition Apparel and UNIVERSITY warrants that it shall not use or license, or otherwise permit any third parties to use, the New Logo on or in connection with Products, UNIVERSITY

acknowledges that all trademark/copyright registration and maintenance expenses in connection with the New Logo shall be at its expense and NIKE agrees that it shall not incur any such expense on behalf of UNIVERSITY without UNIVERSITY's prior approval.

- (b) NIKE recognizes the value of the UNIVERSITY Marks and acknowledges that the goodwill attached thereto belongs to UNIVERSITY and that nothing in this Agreement serves to assign, convey or transfer to NIKE any rights, title or interest in or to the UNIVERSITY Marks.
- (c) UNIVERSITY recognizes the value of the NIKE Marks and acknowledges that the goodwill attached thereto belongs to NIKE and that nothing in this Agreement serves to assign, convey or transfer to UNIVERSITY any rights, title or interest in or to the NIKE Marks.
- 14. RIGHTS OF FIRST DEALING AND FIRST REFUSAL, CONTRACT EXTENSION.
 - If any branch-campus of UNIVERSITY ("Branch School") fields and maintains a (a) Division I team that seeks an exclusive Product supplier, NIKE shall have the right of first refusal to obtain such additional rights as follows. UNIVERSITY shall meet with NIKE (or arrange for NIKE to meet with the appropriate authorities if such rights are not exclusively controlled by UNIVERSITY) to discuss in good faith the granting of such rights to NIKE. Such discussions must occur prior to Branch School engaging in negotiations with any manufacturer, distributor or seller of Products other than NIKE. The parties shall not be obligated to enter into an agreement if they cannot settle on mutually' satisfactory terms. If good faith negotiations with NIKE do not result in the consummation of an agreement, UNIVERSITY shall, thereafter, notify NIKE in writing of any bona fide third-party offer that Branch School receives during the Term for such rights, and shall submit to NIKE in writing the specific terms of such bona fide third-party offer, at least 15 business days' prior to entering into an agreement with such third party. If NIKE agrees to match or better the material, measurable and matchable terms of such third-party offer within such 15-business-day period, Branch School agrees to enter into a contract with NIKE on the terms of the offer made by NIKE. If NIKE fails or declines to match or better the material, measurable and matchable terms of such third-party offer within such 15-business-day period, Branch School may thereafter consummate an agreement with such third party, on the terms of the offer made to Branch School.
 - (b) At NIKE's request, UNIVERSITY shall negotiate with NIKE in good faith with respect to the terms of a renewal of this Agreement. The parties shall not be obligated to enter into an agreement if they cannot settle on mutually satisfactory terms. Prior to November 30, 2027 (the "Exclusive Negotiating End Date"), UNIVERSITY shall not engage in discussions or negotiations with any third party with respect to the supply of Products to or sponsorship of any Program after the Term ("Product Supply/Sponsorship").
 - (c) Throughout the Term, and for a period of 180 days thereafter, NIKE shall have the right of first refusal for Product Supply/Sponsorship as follows: the renewal of the rights granted to NIKE by UNIVERSITY herein in connection with the advertisement, promotion and sale of Products, as follows. If UNIVERSITY

receives any bona fide third-party offer at any time on or after the Exclusive Negotiating End Date with respect to any Product Supply/Sponsorship, UNIVERSITY shall submit to NIKE in writing the specific terms of such bona fide third-party offer in the form of a true and complete copy which shall be on the offeror's letterhead or other identifiable stationery or imprint readily authenticatable by NIKE as having originated with such third-party offeror. NIKE shall have 15 business days from the date of its receipt of such true copy of the third-party offer to notify UNIVERSITY in writing if it will enter into a new contract with UNIVERSITY on terms no less favorable to UNIVERSITY than the material, measurable and matchable terms of such third-party offer. If NIKE so notifies UNIVERSITY within such 15-business-day period, UNIVERSITY shall enter into a contract with NIKE on the terms of NIKE's offer. If NIKE fails or declines to match or better the material, measurable and matchable terms of such third-party offer within such 15-businessday period, UNIVERSITY may thereafter consummate an agreement with such third party on the terms of the offer made to UNIVERSITY. Prior to the Exclusive Negotiating End Date, UNIVERSITY shall not solicit, consider or present to NIKE, and NIKE shall not be obligated to respond to, any third-party offer for any Product Supply/Sponsorship.

(d) In the event the NCAA Division I Committee on Infractions sanctions UNIVERSITY by placing the institution on probation for a "major violation" of NCAA rules (or UNIVERSITY self-imposes sanctions) that results in any one or more of the following: (1) either the football or men's basketball program receiving a television or postseason appearance ban for longer than a single playing season, or (2) a reduction in the number of grants-in-aid (scholarships) available by two or more scholarships for two or more seasons for men's basketball or six or more scholarships for two or more seasons for football, then in lieu of exercising its right of termination under Paragraph 17, NIKE shall have the right, exercisable upon written notice to UNIVERSITY, to extend the Term for the number of Contract Years that corresponds to the number of impacted seasons on the same terms in effect at the time of imposition of such sanctions (and subject to any applicable reductions). (For example, if the football program was subject to a two-year postseason competition ban, NIKE would be entitled to extend this Agreement for a period of two additional Contract Years.) Such right shall only be exercised within one year after the issuance of a final decision by the NCAA following the conclusion of any internal appeal process (or the implementation of self-imposed sanctions).

15. RIGHTS FOR NEW PRODUCTS.

From time-to-time during the Term, NIKE may add to its Products line one or more items of sports equipment. If at any time during the Term NIKE shall have a bona fide intention to expand its Products line by adding any such item(s), then NIKE may give UNIVERSITY advance written notice of the particular item(s) then in development by NIKE and an adequate opportunity to sample and field test the new item(s). UNIVERSITY agrees (subject to the Athletic Director's and Coach's satisfaction as to quality and suitability and subject to mutually acceptable additional compensation) that if UNIVERSITY has not already entered into or substantially negotiated a product supply or sponsorship agreement with respect to such item(s) for the applicable program, it will not do so during the 180-day period next following the date on which UNIVERSITY receives such written notice from NIKE. If during such 180-day period, NIKE shall notify UNIVERSITY that an item is commercially available, then (subject to the Athletic Director's and Coach's

satisfaction as to quality and suitability and subject to mutually acceptable additional compensation) such item(s) shall thereafter be deemed to be included in "Products" as defined in Paragraph 1(o) and "NIKE Products" as defined in Paragraph 1(p) and covered in all pertinent respects by the terms hereof and for the balance of the Term UNIVERSITY shall no longer be permitted to source such Products from a manufacturer other than NIKE. Thereafter, NIKE shall supply UNIVERSITY with mutually agreed reasonable quantities of such new Product item(s) and UNIVERSITY shall thereupon distribute, as is appropriate, such new item(s) to Team members, Coaches and/or Staff members for use pursuant to the terms of this Agreement.

16. RIGHT OF TERMINATION BY UNIVERSITY.

Without prejudice to any other right UNIVERSITY may have hereunder or otherwise, UNIVERSITY shall have the right to terminate this Agreement immediately upon written notice to NIKE if:

- (a) NIKE is adjudicated insolvent or declares bankruptcy;
- (b) NIKE fails to make payment to UNIVERSITY of any sum due pursuant to this Agreement within 30 days following NIKE's receipt of written notice from UNIVERSITY that such payment is past due; or
- (c) NIKE shall be in material breach of this Agreement, which breach NIKE fails to cure within 30 days following NIKE's receipt of written notice from UNIVERSITY specifying such breach.
- 17. RIGHT OF TERMINATION BY NIKE.
 - (a) Without prejudice to any other right UNIVERSITY may have hereunder or otherwise, NIKE shall have the right to terminate this Agreement immediately upon written notice to UNIVERSITY if:
 - (1) UNIVERSITY is placed on NCAA probation or UNIVERSITY self-imposes sanctions relating to the football or men's basketball Program resulting in a television or postseason ban of at least one year or any other probation that lasts for at least two years, or UNIVERSITY ceases for any reason to field a Division I team in any of the Flagship Programs;
 - (2) Except as provided in Paragraph 8(c), members of any Team fail to wear or use NIKE Products during Program Activities or other occasions during which Team members wear or use Products (including photo sessions and interviews), or wear NIKE Products altered, spatted or taped, in violation of the provisions of Paragraph 8; provided, however, that NIKE shall have first provided written notice to UNIVERSITY of any such violation and such violation shall then recur during the same Contract Year;
 - (3) Any Coach or Staff fails to perform any material obligations provided for in this Agreement;
 - (4) UNIVERSITY, the NCAA, the Conference or any assignee thereof (including any licensing agent or broadcast partner of the foregoing)

enacts, adopts or accedes to any regulation, restriction; prohibition or practice that materially deprives NIKE of the promotional benefits and/or product/brand exposure contemplated by this Agreement including (i) any substantial diminution of NIKE's logo placement rights (in terms of size, location placement, color prominence and/or number) on Products-or Licensed Products, including any total ban on the placement of cameravisible logo identification on Authentic Competition Apparel or Equipment, (ii) "air brushing" NIKE identification from still photography or footage, or (iii) use of L-VIS technology or other "virtual signage" or electronic/computer imaging technology that alters, substitutes or replaces NIKE's stadium/arena signage (including NIKE logo identification that appears on uniforms) with other commercial identification that is seen by home television viewers;

- (5) UNIVERSITY takes any other action inconsistent with the endorsement of NIKE Products; or
- (6) UNIVERSITY breaches any warranty or other material term of this Agreement, which breach UNIVERSITY fails to cure, if curable, within 30 days of NIKE's delivery of written notice to UNIVERSITY of any such breach.
- (b) In the event of termination under this Paragraph or Paragraph 16, UNIVERSITY shall not be entitled to any further compensation under this Agreement, except any unpaid Base Compensation earned prior to the effective date of termination, prorated over the entire Contract Year and calculated to the effective date of termination. Alternatively, NIKE shall have the right to receive from UNIVERSITY reimbursement for Base Compensation, if any, paid in excess of the amount to which UNIVERSITY would be entitled if the Base Compensation were pro-rated over the entire Contract Year, calculated to the effective date of termination. Any such payment shall be due within 30 days of the date of termination.
- 18. NIKE POST-TERMINATION RIGHTS.

Upon expiration or termination of this Agreement for any reason, NIKE shall have the right to:

- (a) For a period of six months, run any non-cancelable media involving the UNIVERSITY Marks and exhaust all advertising and promotional materials which were produced prior to the effective date of expiration or termination;
- (b) For a period of six months, complete and dispose of any Licensed Products which are on-hand or in-process and fulfill orders received prior to the effective date of expiration or termination, provided royalties thereon are paid and reported in accordance with the provisions of this Agreement; and
- (c) Use, in perpetuity, game videotapes, films or photographs acquired or licensed under this Agreement for in-house exhibition for historical, educational or commemorative purposes.

19. INDEMNIFICATIONS.

- (a) NIKE shall defend, indemnify and hold harmless UNIVERSITY, its trustees, directors, officers, employees, and agents (collectively, "UNIVERSITY Parties") from and against all suits, actions, claims, judgments, damages, losses, liabilities, costs and expenses, including reasonable attorney fees, ("Claims") incurred by any UNIVERSITY Parties arising out of or relating to: (i) NIKE's breach of any term of this Agreement; or (ii) acts or omissions of NIKE, or those of its employees and/or agents, provided NIKE is given prompt written notice of and shall have the option to undertake and conduct the defense of any such Claim. In any instance to which the foregoing indemnities pertain, UNIVERSITY Parties shall cooperate fully with and assist NIKE in all respects in connection with any such defense, and no UNIVERSITY Party shall enter into a settlement of such Claim or admit liability or fault on the part of NIKE without NIKE's prior written approval. If NIKE chooses to defend UNIVERSITY, counsel chosen by NIKE shall be reasonably acceptable to UNIVERSITY's General Counsel.
- (b) Subject to Oregon Const., Art. XI, Section 7, and ORS 30.260-.285, UNIVERSITY shall defend, indemnify and hold harmless NIKE, its directors, officers, employees, agents and assigns, from and against all Claims incurred by NIKE arising out of or relating to: (I) a Claim that NIKE's use of any UNIVERSITY Mark violates or infringes upon the trademark, copyright or other right of any third party; (ii) a Claim that NIKE's use of any Coach Properties violates the rights of publicity, right of privacy or any other right of any Coach; (iii) acts or omissions of any UNIVERSITY Party (excluding acts or omissions of Coaches while traveling to and from, participating in, or being present at activities/events described in Paragraph 6); or (iv) UNIVERSITY's breach of any warranty in or other term of this Agreement, provided UNIVERSITY is given prompt written notice of and shall have the option to undertake and conduct the defense of any such Claim. In any instance to which the foregoing indemnities pertain, NIKE shall cooperate fully with and assist UNIVERSITY in all respects in connection with any such defense, and NIKE shall not enter into a settlement of such Claim or admit liability or fault on the part of UNIVERSITY without UNIVERSITY's prior written approval.

20. REMEDIES.

UNIVERSITY and NIKE agree that, in the event that either party breaches any material term or condition of this Agreement, in addition to any and all other remedies available to the other party at law or in equity, such other party may be entitled to injunctive relief from such further violation of this Agreement, pending litigation as well as on final determination of such litigation, without prejudice to any other right of such other party.

21. NOTICES.

All notices, statements and payments provided for herein shall be in writing and deemed given if sent postage prepaid via registered or certified mail, or by express courier service or facsimile with confirmed delivery, to the parties at the addresses given below, or such other addresses as either party may designate to the other. Any written notice shall be deemed to have been given at the time it is sent addressed to the parties as set forth below. It is UNIVERSITY's obligation to notify NIKE of any address change.

NIKE USA, Inc. One Bowerman Drive Beaverton, OR 97005-6453 Attn: Legal Dept. Contracts Manager cc: Attn: NTS Licensing Manager (on retail licensing matters only)

University of Oregon

Len Casanova Athletic Center 2727 Leo Harris Parkway Eugene, OR 97401 Attn: Director of Intercollegiate Athletics cc: Attn: Office of Trademark & Licensing Services (on retail licensing matters only)

22. RELATIONSHIP OF PARTIES.

The performance of services for NIKE by UNIVERSITY is in the capacity of independent contractors. Accordingly, nothing contained in this Agreement shall be construed as establishing an employer/employee, partnership or joint venture relationship between UNIVERSITY and NIKE.

- 23. ASSIGNMENT/DELEGATION/PASS THROUGH.
 - (a) This Agreement and the rights and obligations of UNIVERSITY hereunder are personal to UNIVERSITY and shall not be assigned or delegated by UNIVERSITY. Any assignment by UNIVERSITY shall be invalid and of no force or effect.
 - (b) The rights granted to NIKE by UNIVERSITY hereunder are personal to NIKE and shall not be assigned, delegated or passed-through outside of the NIKE Group without UNIVERSITY's prior approval, which approval shall not be unreasonably withheld.

24. WAIVER.

The failure at any time of UNIVERSITY or NIKE to demand strict performance by the other of any of the terms, covenants or conditions set forth herein shall not be construed as a continuing waiver or relinquishment thereof, and either party may, at any time, demand strict and complete performance by the other party of such terms, covenants and conditions.

25. SEVERABILITY.

Every provision of this Agreement is severable. If any term or provision hereof is held to be illegal, invalid or unenforceable for any reason whatsoever, such illegality, invalidity or unenforceability shall not affect the validity of the remainder of this Agreement or any other provision and the illegal, invalid or unenforceable provision shall be deemed by the parties as replaced by such substitute provision as shall be drafted by NIKE, in such form and substance as shall be legally valid, and shall accomplish as near as possible the purpose and intent of the invalidated provision.

26. ADDITIONAL WARRANTIES.

UNIVERSITY represents and warrants that:

- (a) No agreement, contract, understanding or rule of any national, international or collegiate governing body exists which would prevent or limit performance of any of the obligations of either party hereunder.
- (b) Except as otherwise provided under Paragraph 6, neither UNIVERSITY nor any Coach or Staff member is party to any oral or written agreement, contract or understanding which would prevent, limit or hinder the performance of any obligations hereunder of UNIVERSITY, Coaches or Staff.
- (c) It is the sole and exclusive owner of the UNIVERSITY Marks throughout North America and the European Union.
- (d) During the Term, UNIVERSITY will not, without the prior written consent of NIKE:
 - Sponsor, endorse or allow any Coach or Staff member to sponsor, endorse or wear and/or use athletic footwear or other Products sold by any third party;
 - (2) Allow any student participating in Game Entertainment Activities or Department-Related Activities to wear Apparel Products bearing the trademark, brand or logo of, or wear footwear manufactured or sold by, any third party;
 - (3) Enter into, or allow any Coach or Staff member to enter into, any endorsement, promotional, consulting, supply or similar agreement or relationship with any manufacturer or seller of Products other than NIKE;
 - (4) Sell to any person or entity Products purchased or provided hereunder by NIKE or any other third party;
 - (5) In connection with any varsity club sport, Game Entertainment Activity, Department-Related Activity, intramural sport, or UNIVERSITY, or Coachoperated and/or licensed sports camp, enter into any sponsorship, endorsement, promotional, consulting, supply or similar agreement or relationship with any manufacturer or seller of Products other than NIKE;
 - (6) Permit the trade name, trademark, name, logo or any other identification of any manufacturer or seller of Products other than NIKE to appear on signage at practices, games, exhibitions, clinics, sports camps and other official or UNIVERSITY sanctioned Program activities (including photo sessions and interviews); or
 - (7) Take any action inconsistent with the endorsement of NIKE Products, or allow any Coach or Staff member to take any such action.
- (e) It has the full legal right and authority to enter into and fully perform this Agreement in accordance with its terms and to grant to NIKE all the rights granted herein.

27. CONFIDENTIALITY.

UNIVERSITY shall not (nor shall it permit or cause its employees, agents or representatives to) disclose the financial or other material terms of this Agreement, the marketing plans of NIKE, or other confidential material or information disclosed to UNIVERSITY (including information disclosed during audit), to any third party, except to its trustees or as may be required by law.

28. INTERPRETATION.

Paragraph captions and other headings in this Agreement are for reference only and shall not describe, interpret, define or limit the scope, extent or intent or otherwise affect the interpretation of this Agreement or any provision hereof. For purposes of this Agreement, (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

29. GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the state of Oregon. Any suit or action arising hereunder shall be filed in a court of competent jurisdiction Within the state of Oregon. The parties hereby consent, to personal jurisdiction within the state of Oregon. Service shall be as required by statute. In no way will this section be construed as a waiver by UNIVERSITY of any form of defense or immunity from any claim or from the jurisdiction of any court.

30. ENTIRE AGREEMENT.

As of the effective date hereof, this Agreement shall constitute the entire understanding between UNIVERSITY and NIKE and may not be altered or modified except by a written agreement, signed by both parties. Any previous agreements between UNIVERSITY and NIKE shall have no further force or effect. UNIVERSITY and NIKE expressly agree that this Agreement supersedes and replaces the final year of the Prior Agreement in its entirety.

31. COMPLIANCE WITH APPLICABLE LAW.

Each party agrees to comply with all applicable federal, state, county and local laws, ordinances, rules and regulations, including all applicable anti-bribery and anti-corruption laws and regulations, in connection with this Agreement.

32. TAX COMPLIANCE CERTIFICATION.

NIKE certifies, under penalty of perjury, as provided in ORS 305.385(6), that, to the best of NIKE's knowledge, NIKE is not in violation of the tax laws described in ORS 305.380(4). ORS 305.380(4) states: "Tax' means a state tax imposed by ORS Chapters 118, 314, 316, 317, 318, 320, 321 and 323 and sections 10 to 20, Chapter 533, Oregon Laws 1981,

as amended by Chapter 16, Oregon Laws 1982 (first special session); the elderly rental assistance program under ORS 310.630 to 310.706; and local taxes administered by the Department of Revenue under ORS 305.620.

33. TERMINATION DUE TO NONAPPROPRIATION OF FUNDS.

If sufficient funds are not provided in future legislatively approved budgets of UNIVERSITY or from other sources to permit UNIVERSITY in the exercise of its reasonable administrative discretion to continue this Agreement, or if UNIVERSITY or its Athletic Department is abolished, UNIVERSITY may terminate this Agreement without further liability by giving NIKE not less than 30 days' written notice, if feasible. In determining the availability of funds from the Oregon Legislature for this Agreement, UNIVERSITY may use the budget adopted for it by the Joint Ways and Means Committee of the Oregon Legislative Assembly.

34. NIKE CODE OF CONDUCT.

NIKE and UNIVERSITY have a shared commitment to responsible sourcing practices. NIKE will require any factory making Authentic Competition Apparel or Licensed Products to comply with the NIKE Code of Conduct and Code Leadership standards, as published by NIKE. NIKE will periodically audit its contract manufacturers' compliance with the Code of Conduct and Code Leadership Standards, and will require the contract manufacturers to remediate any identified issues of non-compliance in a reasonable manner.

35. COUNTERPARTS.

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the last date signed below.

UNIVERSITY OF OREGON

NIKE USA, Inc.

Ву:_____

By: _____

Printed Name:	
Its:	
Date:	

Printed Name:	
Its:	
Date:	

SCHEDULE A

The following football bonuses are cumulative:

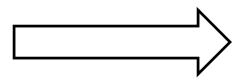
Plays in Pac-12 Championship Game: \$10,000 Wins Pac-12 Championship Game: \$20,000 Plays in a College Football Playoff Bowl* game: \$25,000 Plays in the National Championship: \$50,000 Wins the National Championship: \$100,000

* means any of the following bowl games (or replacement bowl games) within the format used to determine the "National Championship" and currently consisting of the Chick-fil-A Bowl, Cotton Bowl, Orange Bowl, Sugar Bowl, Fiesta Bowl, Rose Bowl and National Championship Game.

Sample Operational Metrics: University Wide

Primary Operational Metrics	2012-13	2013-14	2014-15	2015-16	2016-17
Avg. SCH taught per TTF FTE	511	556	479	525	493
Avg. SCH taught per NTTF FTE	824	888	721	816	791
Number of UG majors per TTF FTE	23.9	26.5	23.5	25.9	22.8

What can these tell us over time?



What can these tell us across units?

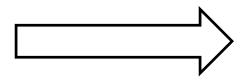
What context can these provide to analyze mission metrics?

SCH: Student Credit Hours FTE: Full-Time Equivalent UG: Undergraduate

Sample Operational Metrics: University Wide

Secondary Operational Metrics	2012-13	2013-14	2014-15	<u>2015-16</u>	2016-17
Instructional FTE per GF Staff FTE	3.0	2.7	2.9	2.7	2.8
All Majors per GF Staff FTE	52.7	51.6	48.6	48.2	46.3
Avg UG class size (AY only)	32.5	32.0	31.4	31.9	32.4
Median UG class size (AY only)	20	19	18	18	19

What can these tell us over time?



FTE: Full-Time Equivalent GF: General Fund UG: Undergraduate What can these tell us across units?

What context can these provide to analyze mission metrics?

