



UNIVERSITY OF OREGON

February 25, 2015

TO: The Board of Trustees of the University of Oregon

FR: Angela Wilhelms, Secretary of the University

RE: Notice of Executive and Audit Committee Meeting

The Executive and Audit Committee of the Board of Trustees of the University of Oregon will hold a public meeting on the date and at the location set forth below. Subjects of the meeting will include: the quarterly audit report, authorities regarding significant program changes, the Board's role in potential labor strike situations, and the creation of a consent calendar.

The meeting will occur as follows:

**Wednesday, March 4, 2015 – 1:00pm**  
Ford Alumni Center, Room 403

The Ford Alumni Center is located at 1720 East 13th Avenue, Eugene, Oregon. If special accommodations are required, please contact Amanda Hatch at (541) 346-3013 at least 72 hours in advance.

BOARD OF TRUSTEES

6227 University of Oregon, Eugene OR 97403-1266 T (541) 346-3166 [trustees.uoregon.edu](http://trustees.uoregon.edu)

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**Board of Trustees of the University of Oregon  
Executive and Audit Committee Meeting  
March 4, 2015**

**1:00 pm – Public Meeting – Ford Alumni Center, Room 403**

Convene

- Call to Order
- Roll Call / Verification of a Quorum

1. Approval of December 2014 and February 2015 Minutes
2. Quarterly Audit Report (Brenda Muirhead, Chief Auditor)
3. Resolution with respect to the Board's role in potential strike situations (Kurt Willcox, Trustee)  
(Action)
4. Committee approval of significant program changes (Action)
5. Creation of a Consent Calendar (Action)

Adjourn



UNIVERSITY OF OREGON

## Agenda Item #1

### Approval of December 2014 and February 2015 Committee Minutes

*The draft minutes for December 2014 and February 2015, were emailed to the Board of Trustees, Executive and Audit Committee, for review on Wednesday, February 18, 2015.*



UNIVERSITY OF OREGON

## Agenda Item #2

### Internal Audit Report for Q2 of FY14-15

*Materials for this report will be provided at the meeting.*



UNIVERSITY OF OREGON

EAC Agenda #2

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# Office of Internal Audit

## Quarterly Report

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**Fiscal Year 2015 – 2nd Quarter**

*Report to the Board of Trustees of the University of Oregon  
Executive and Audit Committee  
March 4, 2015*

## **Contents**

### **1) Internal Audit Activities**

- a. University-wide Risk Assessment
- b. A Review of Risk Management
- c. NCAA Football Bowl Subdivision Attendance Certification
- d. A Review of University-wide Lab Safety Practices
- e. An Efficiency Audit of Printing and Mailing Services
- f. Fraud and Ethics Reporting Hotline
- g. IT Audit Services
- h. A Review of University-wide Purchasing Practices

### **2) External Audit Coordination**

- a. Contracting with Moss Adams
  - i. Audit financial statements
  - ii. OMB Uniform Guidance related audit requirements
  - iii. NCAA Agreed Upon Procedures

### **3) Audit Plan Status**

### **4) Next Quarter Report**

## **Internal Audit Activities**

### ***University-wide Risk Assessment***

Internal audit is in the process of conducting the annual risk assessment in order to develop a risk based audit plan for FY16. More than 110 members of leadership and management were identified to participate. Since the audit function is new to the University, the meetings this year are designed to not only gather information that drives the audit plan, but introduce the audit function's roles and responsibilities, assess the control environment in different areas, learn about new initiatives and objectives units are striving for, get feedback on what processes are working well, and processes that may not be as efficient or effective.

The assessment will also include feedback from enterprise risk management, activity data from various areas of the University related to legal, insurance claims, human resources, and internal and external audit findings. Internal Audit will include a summary of the results next quarter that will support the proposed audit plan.

### ***A Review of Risk Management***

The Internal Audit Charter requires an assessment of the adequacy and effectiveness of the University's processes for controlling activities and managing risks. The assessment is based on the COSO Enterprise Risk Management (ERM) Framework. When each of the components are effective in each category of objectives, the board, leadership and management have reasonable assurance they understand the extent to which the University's strategic and operations objectives are being achieved, reporting is reliable, and applicable laws and regulations are being complied with. Managing risk involves a variety of activities at all levels that identify, assess, manage, and control risk. In order to determine what activities are occurring, information will be gathered through observation, audit activities, and risk assessment interviews. Internal Audit will present a summary of findings next quarter.

### ***NCAA Football Bowl Subdivision Attendance Certification***

The University is a member of the National Collegiate Athletic Association (NCAA) Football Bowl Subdivision which requires the institution have an independent verification of the attendance for all home football games. Internal Audit reviewed the 2014 football season home games and concluded that the University met and exceeded the attendance requirements.

### ***A Review of University-wide Lab Safety Practices***

An assessment of the adequacy of lab safety practices across campus and compliance with federal, state and local laws, and University policies. The University's Environmental Health and Safety (EHS) office, managed by Enterprise Risk Services provides key services to promote lab safety. EHS provides support to environmental programs, fire and life safety, occupational health and safety, and research safety across campus. The review assesses the program on key elements of a compliance program (inventory activities, inventory regulatory requirements, assessing risk, defining policies, assigning responsibility, establishing procedures and controls, providing training, and monitoring compliance.) Internal Audit will present a summary of findings next quarter.

### ***An Efficiency Audit of Printing and Mailing Services***

An audit of the University's Printing and Mailing Services to identify opportunities to gain efficiencies and optimize effectiveness. The unit provides print products and mailing services across campus. Internal Audit's approach involves gaining an understanding of the operations, reviewing the financial gain/loss of each activity, analyzing financial records, and exploring opportunities to gain efficiencies. Internal Audit will present a summary of results next quarter.

### ***Fraud and Ethics Reporting Hotline***

Internal Audit continues to increase awareness of the fraud and ethics reporting hotline and encouraging units to post the link on their webpages. Marketing and Communication is working on a brochure that describes Internal Audit services, options for reporting concerns and a short checklist units can use to assess their control environment. There are no activities to report this quarter.

### ***IT Audit Services***

Internal Audit issued a Request for Proposal to perform a risk and vulnerability assessment of the University's IT environment, including but not limited to an assessment of:

- *Administration* – policies and procedures, governance, organizational structure, strategic planning, vendor management, and regulatory compliance
- *Operations* – data integrity/user acceptance, hardware and software management, change management, backups, business continuity plan/disaster recovery
- *Security* – network administration, logical system security access, security awareness, physical security of assets/server room, logging and monitoring, incident response

The results of the risk assessment will drive the risk based IT audit plan (included in the annual audit plan). The external IT auditors will also conduct various types of audits based on the results of the assessment and include reviewing application controls, system development, and compliance. Internal Audit intends to move towards a co-source model when appropriate. Due to the high risks associated with the IT infrastructure, Internal Audit has requested the procurement process be expedited where possible to ensure the work begins by the end of April.

### ***A Review of University-wide Purchasing Practices***

A review of purchasing practices across campus to determine if procurements comply with applicable laws, and ensure fair competition. The review also includes an assessment of efficiency and effectiveness of purchasing practices across the University. The University's Purchasing and Contracting Services (PCS) is responsible for assisting units with procurements and overseeing the contract process. In addition, PCS processes purchase orders, manages the p-card program, and supports outreach to minority-owned, women-owned and emerging small businesses as well as coordinating with Qualified Rehabilitation Facilities which are directly related all of PCS' primary functions. Internal Audit will start this review in April.



### **External Audit Coordination**

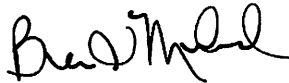
The University is in the process of finalizing its contract with Moss Adams LLP to conduct the annual audit of financial statements, Office of Management and Budget (OMB) related audits, and NCAA Agreed upon Procedures.

### **Audit Plan**

The FY15 Audit Plan is slightly behind schedule. Many of the processes and systems the University uses involves a lot of manual operations which increases the time to assess controls and locate documentation in the units. Internal Audit will assess the impact and adjust the scopes of audits based on associated risks.

### **Next Quarter Report**

In addition to presenting the 3<sup>rd</sup> quarter audit report, Internal Audit intends to submit the 2016 fiscal year audit plan to the Executive and Audit Committee for approval.



Brenda Muirhead  
Chief Auditor



UNIVERSITY OF OREGON

### Agenda Item #3

Resolution: Board Responsibilities in Dealing with  
Potential University Employee Strikes

**Executive and Audit Committee  
Board of Trustees of the University of Oregon**

**Resolution: Board Responsibilities in Dealing with Potential University Employee Strikes**

Whereas, the Board of Trustees of the University of Oregon (the “Board”) is by statute responsible for “(managing) the affairs of the university by exercising and carrying out all the powers, rights, and duties that are expressly conferred upon the board by law, or that are implied by law or are incident to such powers, rights and duties.” (ORS 352.029);

Whereas, the Board has delegated to the University President (the “President”) the authority to “act for the Board of Trustees regarding all personnel and employment matters, including labor relations and approval of collective bargaining agreements” (Policy on Retention and Delegation of Authority adopted June 12, 2014);

Whereas, strikes by university employees have the potential to seriously disrupt the functioning of the university, the education of students, and important Board projects and initiatives, such as the “Competitive Excellence” program, the ongoing \$2 Billion Capital Campaign, and the current effort to recruit a new university president; and

Whereas, this potential for serious disruption makes it imperative that the Board be well informed about the bargaining process and be directly consulted late in negotiations when there is an imminent possibility of an employee strike;

Now, therefore, the Board of Trustees of the University of Oregon hereby directs the President to, in a manner consistent with applicable law and Board Bylaws, Article IX, Section 2:

- 1) Update Board members periodically about the progress of negotiations with all employee groups well before they reach an impasse; and
- 2) Once any contract negotiations reaches formal impasse, provide Board members with a copy of both parties’ Final Offers and a written report explaining the issues in dispute and the university’s plans for maintaining operations during a strike; and
- 3) Once the university receives a formal strike notice, request an emergency meeting of the Board for the purpose of reviewing the situation and considering all available options. The Board Chair shall convene such meeting as quickly as possible.

*-Vote Recorded on Following Page-*

Moved: \_\_\_\_\_

Seconded: \_\_\_\_\_

Trustee	Yes	No
<b>Bragdon</b>		
<b>Ford</b>		
<b>Kari</b>		
<b>Lillis</b>		
<b>Ralph</b>		
<b>Wilcox</b>		

Dated: \_\_\_\_\_ of \_\_\_\_\_, 2015.

Initials: \_\_\_\_\_



UNIVERSITY OF OREGON

## Agenda Item #4

Resolution: Committee Approval of  
Significant Academic Program Changes



### Introduction

This resolution would amend a current Board policy that requires Board of Trustees approval for certain items being submitted to the Higher Education Coordinating Commission (HECC). This issue was raised in the September and December Academic and Student Affairs Committee meetings in the context of program approval. Members of the Board noted on multiple occasions a desire to maintain oversight over the strategic alignment of UO's academic programs, but also noted that significant changes to academic programs are thoroughly vetted both internally and externally prior to their reaching the Board. Moreover, trustees indicated a desire to ensure that the Board's action(s) on such program changes would not cause additional delay in the overall approval process.

### Issue and Proposal

The Board's Policy on Retention and Delegation of Authority (RDA) reads:

"Any significant change<sup>[1]</sup> in the University's academic programs as defined by the Higher Education Coordinating Commission must be approved by the Board prior to submission to the Commission." *Section 4.3.*

New academic degree programs and new locations for existing programs are vetted through process that includes the following steps and entities prior to Board approval: proposal development (faculty), department level review and approval (faculty, curriculum committee, department head), college level review and approval (curriculum committee, dean), UO faculty review and approval (Undergraduate Council or Graduate Council, appropriately), external review (for new graduate programs), University Senate, and the Provost and President.

Following Board approval, the proposal is submitted to the statewide Provosts' Council, which in turn submits a recommendation to the HECC.

The Board looks to streamline its role in the overall approval process, retaining authority to approve significant changes to academic programs prior to submission to the HECC, but delegating such authority to the Board committee which has purview over academic matters.

To accomplish this, the Board is presented with a resolution that amends only section 4.3 of the RDA (above) as follows (proposed addition in **bold**):

"Any significant change in the University's academic programs as defined by the Higher Education Coordinating Commission must be approved by the Board, **or the Board committee responsible for academic affairs**, prior to submission to the Commission."

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<sup>1</sup> The HECC has defined "significant change" as (i) new academic degree programs and (ii) new locations for existing programs.

**Executive and Audit Committee  
Board of Trustees of the University of Oregon**

**Resolution: Committee Approval of Significant Academic Program Changes**

Whereas, ORS 352.107(q) grants authority to the Board of Trustees of the University of Oregon (the “Board”) to “establish, supervise and control academic and other programs” subject to procedures set forth in ORS 352.089 relating in relevant part to achievement compacts with the Oregon Education Investment Board, the Higher Education Coordinating Commission’s (HECC) role in approval of significant program changes, and alignment with the Board-approved mission statement;

Whereas, the Board intends to retain its authority to approve significant changes in academic programs prior to the submission of such changes to the HECC, but wishes to delegate such authority to the Board committee with purview over academic matters to allow for greater efficiency and flexibility in accomplishing program review and approval;

Whereas, the Academic and Student Affairs Committee (ASAC) of the Board considers “matters pertaining to the teaching, research, and public service programs of the University” including, but not limited to, educational policy; and

Whereas, the Policy on Committees authorizes the Executive and Audit Committee to refer matters to the full Board;

Now, therefore, the Executive and Audit Committee of the Board of Trustees of the University of Oregon hereby refers to the full Board of Trustees the below amendment to section 4.3 of the Policy on Retention and Delegation of Authority (additional language tracked in red), recommending its passage:

“4.3 Higher Education Coordinating Commission. Any significant change in the University’s academic programs as defined by the Higher Education Coordinating Commission must be approved by the Board, **or the Board committee responsible for academic affairs**, prior to submission to the Commission.”

Moved: \_\_\_\_\_

Seconded: \_\_\_\_\_

Trustee	Yes	No
<b>Bragdon</b>		
<b>Ford</b>		
<b>Kari</b>		
<b>Lillis</b>		
<b>Ralph</b>		
<b>Wilcox</b>		

Dated: \_\_\_\_\_ of \_\_\_\_\_, 2015.

Initials: \_\_\_\_\_

Executive and Audit Committee

Resolution: Committee Approval of Significant Academic Program Changes



UNIVERSITY OF OREGON

## Agenda Item #5

Resolution: Creation of a Consent Calendar





This resolution would amend the University of Oregon Bylaws by adding a provision allowing for a “Consent Calendar”. The Consent Calendar will be an item on the agenda at Board meetings during which resolutions passed unanimously by committees of the Board could be considered en bloc at the next regularly scheduled full Board meeting.

The Consent Calendar would afford every resolution an opportunity for debate and deliberation, but would also allow for increased efficiency on items which are non-controversial.

Modeled after the Rules of the Oregon House of Representatives, the Consent Calendar could only contain items passed unanimously by committee and which a committee chair considers appropriate for the Consent Calendar. Recognizing that trustees may have reasons for wanting individual consideration of a resolution that might otherwise be placed on the Consent Calendar, an item must be removed from such placement upon the written request of any two trustees. The Board chair will also have discretion to remove items.

Below is proposed language, which would be a new subsection “d” in Article IV, Section 3 of the University’s Bylaws:

Any item referred to the Board under unanimous support from a committee may be presented to the Trustees on a Consent Calendar at the recommendation of the committee chair. The Consent Calendar shall be considered at the next regularly scheduled meeting of the Board and all items on the Consent Calendar shall be considered en bloc. An item shall be removed from the Consent Calendar if two or more trustees so request, in writing to the Chair, not later than two hours prior to convening of the Board meeting at which the Consent Calendar will be considered. An item may be removed from the Consent Calendar at the discretion of the Chair at any time.

**Executive and Audit Committee  
Board of Trustees of the University of Oregon**

**Resolution: Creation of a Consent Calendar**

Whereas, ORS 352.029 grants authority to the Board of Trustees of the University of Oregon (the “Board”) to “manag[e] the affairs of the university by exercising and carrying out all of the powers, rights and duties that are expressly conferred upon the board by law...”;

Whereas, ORS 352.076(5) grants authority to the Board to establish bylaws for the University;

Whereas, the Board does not intend to regularly modify the University’s thoroughly vetted and approved governing documents, but does recognize that a new governance structure and the transition associated therewith will on limited occasions require refinement to initially-established governing documents;

Whereas, the Board wishes to create a mechanism within its meetings to consolidate non-controversial action items that are unanimously supported by a relevant committee, creating a more efficient means of discharging those resolutions and thereby allowing for more time to deliberate upon other matters; and

Whereas, the Policy on Committees authorizes the Executive and Audit Committee to refer matters to the full Board;

Now, therefore, the Executive and Audit Committee of the Board of Trustees of the University of Oregon hereby refers to the full Board of Trustees the amendment to the University’s Bylaws as outlined in the attached Exhibit A (proposed amendment tracked in red), recommending its passage:

Moved: \_\_\_\_\_

Seconded: \_\_\_\_\_

Trustee	Yes	No
Bragdon		
Ford		
Kari		
Lillis		
Ralph		
Wilcox		

Dated: \_\_\_\_\_ of \_\_\_\_\_, 2015.

Initials: \_\_\_\_\_

## EXHIBIT A

### PROPOSED AMENDMENTS TO THE BYLAWS OF THE UNIVERSITY OF OREGON (PROPOSED CHANGES TRACKED IN RED)

#### ARTICLE I

##### Name

The legal name of this independent public body is the University of Oregon ("University").

#### ARTICLE II

##### Purposes of Organization

The purposes for which the University is organized are to carry out and exercise the powers, rights, duties and privileges, within and outside this state, that are expressly conferred upon the University, or that are implied by law or are incident to such powers, rights, duties and privileges.

#### ARTICLE III

##### Board of Trustees

- 1. Business and Affairs.** The University shall be governed and the business and affairs of the University shall be managed by the Board of Trustees of the University of Oregon ("Board"), which may exercise all such powers, rights, duties and privileges as are expressly conferred upon the University, or that are implied by law or are incident to such powers, rights, duties and privileges. The Board may delegate and provide for the further delegation of any and all such powers, rights, duties and privileges subject to limitations expressly set forth in law.
- 2. Membership.** The membership of the Board is established by law. With the exception of the President of the University, the Trustees are appointed by the Governor of the State of Oregon and are subject to confirmation by the Oregon Senate in the manner prescribed by law. To assist the Governor in appointing Trustees, the Board may submit a list of nominees to the Governor for consideration whenever there is a vacancy.
- 3. Vacancies.** A vacancy on the Board shall exist upon the death, resignation, removal or expiration of the term of any Trustee. A Trustee may resign at any time by delivering written notice to the Governor, the Chair of the Board of Trustees, and the President of the University.
- 4. Removal.** The Governor may remove a Trustee other than the President as provided by law. The Board may terminate the status of the President as a Trustee by terminating the President's appointment as President of the University, subject to the rights, if any, of the President under a contract of employment.
- 5. Board Officers.**
  - a. The Board shall select one of its members as Chair and another as Vice Chair, who shall be the Board Officers. Thereafter, a vacancy in the position of Chair shall be filled by the Vice Chair, unless the position of Vice Chair is vacant in which case the Board shall appoint the Chair. A

vacancy in the position of Vice Chair shall be filled by the Board. The Chair and Vice Chair shall hold office for two years, or until a successor shall have been duly appointed and qualified or until death, resignation, expiration of the appointment as a Trustee, or removal. The Chair and Vice Chair may be appointed to consecutive terms. The Chair and Vice Chair shall not be employees or students of the University and shall not, as Chair and Vice Chair, be authorized to bind the University. The Board may appoint such other Board Officers, including a Second Vice Chair, with such duties as the Board determines necessary or appropriate.

- b. The Chair shall establish the agenda for and preside at all meetings of the Board. The Chair shall perform such other duties as assigned by the Board. In the absence of the Chair or in the event of the Chair's inability to act, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall perform such other duties as assigned by the Board.
- c. Notwithstanding the appointment of a Chair and Vice Chair, authority is vested in the Board collectively and not in any individual Trustee. Individual trustees do not speak on behalf the University unless authorized to do so by the Board or Chair. The Chair may speak on behalf of the University, unless otherwise determined by the Board.
- d. A Board Officer serves at the pleasure of the Board. A Board Officer may be removed from office by a two-thirds majority vote of Trustees eligible to vote.

**6. Compensation; Reimbursement of Expenses.** A Trustee performing his or her official duties is not acting as an employee of the University and shall not receive a salary. In accordance with University policy and upon approval by first the Secretary and then the Treasurer of the University, a Trustee may be reimbursed for reasonable expenses incurred in connection with the performance of official duties.

**7. Faculty and Non-faculty Staff Trustees.** The Faculty Trustee and Non-faculty Staff Trustee are each hereby granted reasonable leave with pay at their regular salaries as employees of the University to attend meetings of the Board and other official Board functions that occur between the hours of 8 a.m. and 5 p.m. Pacific Time Monday through Friday. Nothing in this section 7 shall be deemed to alter the compensation of the faculty member or staff member for the performance of their duties as a University employee.

#### **ARTICLE IV Meetings of the Board**

**1. Public Meetings.** A "Public Meeting" of the Board is the convening of the Board for a purpose for which a quorum is required in order to make a decision or to deliberate toward a decision on any matter. All Public Meetings of the Board shall be conducted in compliance with the Public Meetings Law. Public Meeting does not include any on-site inspection of any project or program or the attendance of Trustees at any international, national, regional, state or local association.

**2. Quorum of the Board.** Except as otherwise specified herein, a quorum of the Board is required to conduct Board business. A quorum of the Board shall be a majority of the Trustees in office at the time of the meeting. However, Trustees who have been disqualified from voting on a particular matter shall not be considered to be a Trustee in office for purposes of establishing a quorum in relation to that matter.

**3. Manner of Acting.**

- a. Except as otherwise specified herein, action upon a matter for which a quorum is required shall be taken upon the approval of a majority of the Trustees present.
- b. All Trustees present must vote affirmatively or negatively on any matter on which a vote is called by the Chair, except that a Trustee may not vote if the Trustee is disqualified from voting under law, these bylaws, or applicable policy. Abstentions may be permitted by the Chair.
- c. The Board may permit any or all Trustees to participate in a meeting by, or conduct the meeting through use of, any means of electronic communication by which all Trustees participating may simultaneously hear each other or otherwise communicate with each other during the meeting. Participation in such a meeting by a Trustee shall constitute such Trustee's presence in person at the meeting.
- d. Any item referred to the Board under unanimous support from a committee may be presented to the Trustees on a Consent Calendar at the recommendation of the committee chair. The Consent Calendar shall be considered at the next regularly scheduled meeting of the Board and all items on the Consent Calendar shall be considered en bloc. An item shall be removed from the Consent Calendar if two or more trustees so request, in writing to the Chair, not later than two hours prior to convening of the Board meeting at which the Consent Calendar will be considered. An item may be removed from the Consent Calendar at the discretion of the Chair at any time.

**4. Quorum not Required.** A majority of the voting Trustees present at a meeting that is subject to the quorum requirements of this Article, although less than a quorum, may:

- a. Adjourn the meeting from time to time to a different time or place before the date of the next regular meeting without further notice of any adjournment. At such adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted at the meeting originally held.
- b. Set a time for adjournment.
- c. Call a recess.
- d. Take any measure necessary or appropriate to assemble a quorum.

**5. Waiver of Notice by Trustee.** A Trustee's attendance at or participation in a meeting waives any required notice of the meeting to the Trustee unless the Trustee at the beginning of the meeting objects to the holding of the meeting or the transaction of business at the meeting and does not subsequently vote for or assent to action taken at the meeting. A Trustee may at any time waive any notice required by law or these Bylaws, with a writing signed by the Trustee and specifying the meeting for which notice is waived. Any such waiver of notice shall be filed with the minutes of the meeting for which notice is waived.

**6. Parliamentary Rules.** Procedural disputes shall be resolved by reference to Robert's Rules of Order, Newly Revised, 11th Edition, as interpreted by the Chair.

**ARTICLE V**  
**Public Meeting Procedures**

- 1. Regular Meetings.** Regular Public Meetings of the Board shall be held at least once quarterly on such dates and at such times as specified by the Chair, and on such additional dates and at such times as specified by the Chair or in writing signed by a majority of the Trustees then in office.
- 2. Special Meetings.** Special Public Meetings of the Board may be called at any time by the Chair and must be called by the Chair within twenty-four (24) hours after the Chair's receipt of a written request for a special Public Meeting signed by a majority of the Trustees then in office and specifying the purpose of the meeting. Signatures may be electronic and in counterparts.
- 3. Emergency Meetings.** Emergency Public Meetings of the Board may be called at any time by the Chair in instances of an actual emergency and must be called by the Chair within twenty-four (24) hours after the Chair's receipt of a written request for such a meeting signed by a majority of the Trustees then in office, identifying the actual emergency and specifying the purpose of the meeting. Signatures may be electronic and in counterparts. Minutes of emergency Public Meetings shall describe the emergency justifying the emergency Public Meeting.
- 4. Place of Meetings.** All regular Public Meetings and special Public Meetings of the Board shall be held at a location owned, controlled, leased, or licensed by the University. Emergency Public Meetings necessitating immediate action may be held at other locations.
- 5. Notice of Meetings.**
  - a. Notice of all regular Public Meetings shall be given in a manner reasonably calculated to give interested persons actual notice of the time and place of the meeting and principal subjects anticipated to be considered at the meeting. Notice of special Public Meetings shall be given to the news media which have requested notice and to the general public at least 24 hours prior to the hour of the meeting. Notice of an emergency Public Meeting shall be such as is appropriate to the circumstance.
  - b. Notice of a regular or special Public Meeting must be given to each Trustee at least 48 hours prior to the hour of the meeting. Notice to each Trustee of an emergency Public Meeting shall be such as is appropriate to the circumstance. Notice of all such meetings may be given to Trustees orally either in person or by telephone or may be delivered in writing, either personally, by mail, by electronic mail, or by facsimile transmission. If mailed other than by electronic mail, notice shall be deemed to be given three (3) days after deposit in the United States mail addressed to the Trustee at the Trustee's address on file with the Secretary for the purpose of receiving Board correspondence, with postage prepaid. If notice is sent by electronic mail or facsimile transmission, notice shall be deemed given immediately if the electronic mail notice is sent to the Trustee's University of Oregon electronic mail address or, as applicable, the Trustee's facsimile on file with the Secretary for the purpose of receiving such correspondence. Notice by all other means shall be deemed to be given when received by the Trustee.
- 6. Minutes of Meetings.** The Board shall provide for the taking of written minutes of all Public

Meetings, which minutes shall give a true reflection of the matters discussed and actions taken at the Public Meetings and the views of the participants. In addition to written minutes, the Board may provide for an audio recording of a Public Meeting.

## **ARTICLE VI**

### **Officers of the University**

- 1. Officers.** The officers of the University shall be a President, Treasurer, General Counsel, Secretary and such other officers as may be deemed necessary by the President to conduct University business. The officers shall have such authority and perform such duties as set forth in the law and these Bylaws and as may be prescribed by the Board or President.
- 2. President.** The Board shall appoint a President. The President of the University is the President of the Faculty. The President is also the executive and governing officer of the University, except as otherwise provided by statute or action of the Board. Subject to the supervision of the Board, the President of the University has authority to direct the affairs of the University. The President shall, from time to time, report to the Board all significant matters within the President's knowledge related to affairs of the University. The President shall perform such other duties as assigned by the Board. The President may appoint other officers and employees of the University, who shall have such powers and duties as may be prescribed by the President.
- 3. Treasurer.** The President shall appoint a chief financial officer, who shall be the Treasurer. Subject to the supervision of the Board and applicable law, the Treasurer of the University shall properly account for all monies collected, received and expended by the University and all real and personal property of the University. The Treasurer will keep and maintain, or cause to be kept and maintained, adequate and correct records of the assets, liabilities, and business transactions of the University. The Treasurer will disburse the funds of the University as may be provided for by the Board, may settle and pay all claims against the University, and will render to the President or the Board, upon request, an account of the financial condition of the University.
- 4. General Counsel.** The President shall appoint a General Counsel. The General Counsel to the University is the chief legal officer of the University and represents and advises the University, including the Board, officers, and employees, in all matters related to the affairs of the University. The General Counsel is authorized to accept legal process on behalf of the University.
- 5. Secretary.** The President shall appoint the Secretary. The Secretary shall be responsible for the giving of required notices of meetings of the Board and the preparation of the minutes.

## **ARTICLE VII**

### **Board Committees**

Subject to the requirements of applicable law, the Board may establish such committees as it deems appropriate or necessary from time to time and shall define the duties and reporting requirements of such committees and the membership of the committees.

## **ARTICLE IX**

### **Conflicts of Interest**

- 1. In General.** Subject to the requirements of law and of this Article IX, the Board may take any

action involving either a potential conflict of interest or an actual conflict of interest (as defined in ORS Chapter 244). Prior to taking any action in an official capacity on any matter involving a potential conflict of interest or an actual conflict of interest for a Trustee, the Trustee shall publicly announce the nature of the potential or actual conflict of interest. Any Trustee having an actual conflict of interest in a transaction with the University shall in addition (i) refrain from participating in any discussion or debate on the issue out of which the conflict arises, and (ii) refrain from voting on the issue, unless the Trustee's vote is necessary for Board action on the issue and is otherwise not prohibited by ORS Chapter 244.

**2. Labor Negotiations.** The faculty and nonfaculty staff members of the governing board may not participate in any discussions or action by the board or attend any executive session of the board involving collective bargaining issues that affect faculty or nonfaculty staff at the university.

**3. Other.** The Board may adopt such other policies and standards pertaining to conflict of interest and ethics as the Board determines to be appropriate.

## **ARTICLE X Indemnity**

### **1. Indemnification and Defense in General.**

- a. The University shall defend and indemnify any Trustee or Officer ("Party") against any Claim, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of official duties. The University shall not provide indemnification and defense in case of malfeasance in office or willful or wanton neglect of duty. The University may cease to provide indemnification or defense upon a determination by the University, in its sole discretion, that an act or omission may constitute criminal conduct.
- b. The University may choose to defend a Party under a reservation of rights. Any Party to whom the University is providing a defense shall cooperate fully with the University in the defense of such Claim. If the University determines, in its sole discretion, that such Party has not so cooperated or has otherwise acted to prejudice the defense of the Claim, the University may at any time terminate its defense and indemnity or proceed under a reservation of rights.

### **2. Legal Expenses when Claim is by a Governmental Entity or Professional Licensing Authority.**

- a. Expenses incurred by a Party in the defense of a civil Claim by a governmental entity or a professional licensing authority may be advanced or reimbursed by the University if the University, in its sole discretion, determines that the civil Claim arose out of the Party's performance of official duties. Such advancement or reimbursement constitutes part of the Party's official compensation package for purposes of ORS Chapter 244. The University may decline to reimburse a Party for any expenses incurred prior to the University's written commitment to provide reimbursement.
- b. Expenses shall be paid by the University in advance of the final disposition of a civil Claim described in this section 2 at the written request of the Party if:
  - (1) The University determines, in its sole discretion, that the conduct of such Party was in good faith, and the Party reasonably believed that such conduct was in the best



interests of, or not opposed to the best interests of, the University.

- (2) The Party furnishes the University a written undertaking to repay such advance to the extent it is ultimately determined by the University, in its sole discretion, that such Party is not entitled to be indemnified by the University under this Article or under any other indemnification rights granted by the University to such Party.

Such advances shall be made without regard to the person's ability to repay such advances.

**3. Legal Representation.** The General Counsel shall have the exclusive authority to select counsel and to defend against any Claim. The General Counsel will consult with the Party regarding any term of a settlement agreement that affects the legal rights of the Party.

**4. Definition.** The term "Claim" means any threatened, pending, or completed investigation, action, suit, or proceeding brought by a party other than the University.

**5. Non-Exclusivity and Continuity of Rights.** This Article: (i) shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any statute, agreement, general or specific action of the University or otherwise, both as to action in the official capacity of the person indemnified and as to action in another capacity while holding office, (ii) shall continue as to a person who has ceased to be a Party, (iii) shall inure to the benefit of the heirs, executors, and administrators of such person.

**6. Amendments.** Any repeal of this Article shall only be prospective and no repeal or modification hereof shall adversely affect the rights under this Article in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any Claim or complaint.

## **ARTICLE XI**

### **Miscellaneous Provisions**

**1. Principal Office.** The principal office of the University is located at the Office of the President, University of Oregon, Eugene, Oregon 97403.

**2. Severability.** Any determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws. The headings in these Bylaws are provided for convenience and shall not be considered in the interpretation or construction of these Bylaws.

**3. Authority.** Because the Board is the final University authority, these bylaws and Board policies and standards have precedence over other policies and standards of the University and its constituent parts. Any policies and standards adopted by the University and its constituent parts shall be consistent with these Bylaws.

**4. Amendment of Bylaws.** These Bylaws may be altered, amended, restated or repealed and new bylaws may be adopted by the Board at any regular or special Public Meeting.