

August 30, 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 and referrals from September 7 committee meetings, reports from the president and provost, reports from the ASUO and University Senate, UO's META Center for Systems Biology, considerations and analysis regarding the size (population) of campus.

The meeting will occur as follows:

**Friday, September 8, 2017 – 8:30 am**

Ford Alumni Center, Giustina Ballroom

The meeting will be webcast, with a link available at [www.trustees.uoregon.edu/meetings](http://www.trustees.uoregon.edu/meetings).

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  
Public Meeting | September 8, 2017  
Ford Alumni Center, Giustina Ballroom**

**FRIDAY, SEPTEMBER 8 – 8:30 a.m. (other times approximate): Convene Public Meeting**

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

**1. Reports**

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

**2. Seconded Motions and Resolutions from Committee (pending Sept. 7 committee action)**

- Seconded Motion from FFC: FY18 Operating and Capital Expenditure Authorizations*
- Seconded Motion from FFC: Naming of New Residence Hall*
- Seconded Motion from FFC: Bond Sale Authorization*
- Seconded Motion from FFC: Presidential Retirement Plan Amendment (elimination of outdated program)*

**3. Research Area in Focus – META Center for Systems Biology:** Karen Guillemin, Professor of Biology and META Center Director

**4. The Size (Population) of Campus – Considerations and Analyses:** Jamie Moffitt, Vice President for Finance and Administration; Brad Shelton, Executive Vice Provost; and Roger Thompson, Vice President for Student Services and Enrollment Management

***Meeting Adjourned***



## Agenda Item #1

### Reports

## Senate Report to the Board of Trustees. Fall 2017.

With Fall Quarter comes fresh challenges for the University of Oregon. The last few years have seen a churn in leadership at all levels across the university. Faculty have been involved in senior administrator searches, and with a few exceptions, there is confidence in leadership. This being said, faculty recognize the dire financial situation the university is in, and continuing cuts in instructional faculty and support staff have impacted faculty morale. Faculty worry about corporatization of the university and the reliance on dubious metrics to measure productivity and steer funds around the university. Those in the humanities and social sciences worry that their disciplines are being starved in favor of the natural sciences—the Knight Campus gift is not seen universally as a win for the university due to this perception. College of Design closes (or merges) programs, eliminating non-tenure track faculty and then immediately turns around and asks to increase the ranks of their administrators. The School of Journalism and Communications removes creative and service FTE from instructors, effectively turning them from communications professionals to glorified high school teachers. The College of Arts and Sciences rolls back course releases from faculty while simultaneously increasing research expectations. Some of these decisions are driven by tight budgets, and mandated cost savings. Nonetheless, they have transformed the role of the professoriate from that of pursuing their instructional, research and creative goals to one of chasing metrics in citations, student credit hours, and vita entries.

The corporate model seems to have locked us in a cycle of ever increasing management costs without obvious payback in terms of incoming student quality or outgoing student achievement. If we are providing the same education as 30 years ago, why do we need however many times more administrators today? If we are providing the same product to Oregonians as 30 years ago, how can we expect students to accept paying ten times more in tuition?

Much of the focus of the administration over the last couple years has been in pursuing *excellence*. It is almost impossible to argue against excellence, but it is worth discussing what excellence *means*, how we talk about it, and how we are pursuing it. For historical reasons, universities have established what amounts to a caste system. Tenure track faculty > non-tenure track faculty > classified staff, etc. All constituencies are important in the function of the university, but the emphasis in excellence in the tenure-track caste, while simultaneous cuts in positions and elimination of scholarly expectations in the non-tenure track caste exacerbate divisions and send the clear signal that administrators (and others) see non-tenure track instructional faculty as widgets in a big machine, and not individuals capable of excellence in the classroom and service to the university. Students, taught largely by non-tenure track faculty, recognize the benefit to having scholars on campus whose focus is squarely on their education, and recognize the drop in quality that comes when instructors are treated as widgets, when they are not given resources to improve their craft, and when they are not rewarded for the excellence they bring into the classroom. This is not helped when insensitive and ill-informed comments about non-tenure track faculty appear from senior administrators in the student newspaper, and are then quoted in the Chronicle of Higher Ed.

The blind pursuit of ill-defined excellence causes other problems. The hire of high-dollar researchers leads to salary disparities in departments and threatens to introduce a new caste of super professors and yet more waves of demoralization caused by salary compression and inversion. **Irresponsible messaging about excellence sows discord with other public universities and with the state legislature, who already seem to think the UO is too big for its britches and deserves to be taken down a few notches.**

We need to tighten our messaging around excellence and expand the definition so that it covers the things that *Oregonians* think are important, and not just what academics at elite schools think. Reward excellence at all ranks and recognize that all members of the university community are valuable. We must create an environment where excellence is measured not only by metrics imposed by the AAU or US News, but also from within by the satisfaction of everyone who works for the university. With happiness comes productivity and ultimately excellence that can be assessed from outside.

What can you, as trustee, do to help?

Engage the state. Get to Salem and talk to legislators. Explain our goals to the public and show them that we are working not only to improve the university, but to improve the entire state. Get to campus more often to explain what higher education issues the state is considering and how you are influencing the legislative process to ensure their solutions are indeed driving the students of Oregon to greater success. Push back when unrealistic, but politically expedient legislation is

proposed. Push back against the HECC who are attempting to claw power from you. Scrutinize plans from the administration and gifts from well-heeled donors. (We have been told that the faculty board member did not see the gift letter for the Knight Campus. How is this possible??). Come to Eugene as often as possible. Come to Senate meetings, and to the faculty club, and get into a classroom taught by one of our excellent non tenure-track faculty.

The Senate, as the representative body of the university community, wants to be a partner in the governance of the university. We will work with you to make the University of Oregon better. And while conflict is sometimes inevitable, know that our goal is to promote the academic success of every student and every faculty member at the university. I am confident we all recognize the primacy of this goal, and that even in times of conflict we can find agreement in this.

Chris Sinclair  
Associate Professor of Mathematics  
University of Oregon Senate President

Bill Harbaugh  
Professor of Economics  
University of Oregon Senate Vice President and President-elect

#### Senate Priorities

1. **HECC Mandates.** Barking orders are coming down from HECC regarding transfer credits between Oregon publics (as well as other issues) <https://olis.leg.state.or.us/liz/2017R1/Measures/Overview/HB2998>. It feels like they are trying to reclaim power delegated to the now defunct OUS board. We need help reigning them in. We will work with you. To the extent state mandated work involves faculty input, you should work within the confines of established shared governance (Why? it's cheaper).
2. **Multicultural requirement reform.** In Spring 2016 the student-led Black Student Task Force listed among its demands a requirement that all students take Ethnic Studies 101. This demand has since morphed as leadership has revolved through that organization, and a task force was created by the Undergraduate Council and the Office of Undergraduate Studies to investigate the applicability of our current multicultural requirement to the needs of students today. This administrative task force is in the process of producing recommendations to be considered by all relevant stakeholders and ultimately taken to the Senate for a vote.
3. **Core education reform.** Our current general education system is a sprawling smorgasbord of courses which fall into broad buckets such as natural sciences, social sciences and arts & letters. In some sense the sheer vastness of our offerings is its strength, but in another more accurate sense, there is no coherent stated set of principles explaining what our general education requirement is trying to achieve and how we are achieving it. The accreditors have noticed this too, and have recommended that the Senate establish a general education committee to review these requirements. However, since the phrase "general education" is no longer the buzzword of the day, we will be establishing a Core Education Committee instead.
4. **The U of Oregon Experience.** Here we envision some component of the general education requirement being a shared experience for (traditional) freshmen that is unique to the University of Oregon. We recognize that we are offering the same product we have been since the 90's at ten times the price. Our general education requirement is an inarticulate mess, so why wouldn't students go to community college to fulfill those requirements, perhaps while simultaneously being enrolled at the UO? We need some sort of unique experience which draws incoming students together, clearly articulates our Oregon values, and differentiates our campus experience from our competitors. I (personally) envision a cohort model which investigates current topics from a variety of perspectives over the course of three quarters, and which incorporates our composition requirement so that students are writing across the curriculum. The new live-on requirement for traditional freshman could be incorporated into the cohorting of students to allow a small college experience at a big university. Other may have other visions for what the unique Oregon experience will be, and we will be asking for input from all constituencies. Please help us achieve this goal!
5. **Course Evaluation reform.** Students are given an opportunity to evaluate courses/instructors at the end of each course. These evaluations can be either anonymous or signed and we pay an outside vendor to ensure that instructors cannot get information about those recording anonymous evaluations. There are several issues with the current system: data suggests disparities in numeric scores due to gender, height, etc; students often write



inappropriate comments for instructors (commenting, for instance, on their looks or clothing) which are protected by anonymity; students who have been found guilty of academic misconduct in a course are allowed to submit anonymous evaluations. These evaluations are currently used for promotion, tenure and merit raise considerations. We need to fix these problems, and we have established a task force to bring recommendations to the Senate.

6. **Economic diversity.** The UO has spent a lot of money increasing the enrollment of students who are racially and ethnically diverse. These efforts have been very successful. Since 2007 minority enrollment has increased from 14% to 25%, and enrollment of international students has increased from 6% to 13%.  
[http://ir.uoregon.edu/sites/ir.uoregon.edu/files/Student%20Demographics%20PUBLIC%20\(11172016\).pdf](http://ir.uoregon.edu/sites/ir.uoregon.edu/files/Student%20Demographics%20PUBLIC%20(11172016).pdf). The racial/ethnic and gender diversity of the faculty is also increasing, and for all but one or two colleges it is proportional to the composition of the national PhD hiring pool.  
[http://aaeo.uoregon.edu/sites/aaeo1.uoregon.edu/files/2017-18\\_women\\_min\\_aap.pdf](http://aaeo.uoregon.edu/sites/aaeo1.uoregon.edu/files/2017-18_women_min_aap.pdf). UO's students are learning from a racially and ethnically diverse group of peers, and faculty. But the story is very different when it comes to economic diversity. A new study by Raj Chetty et al, ranks UO #328 out of 377 selective public colleges for promoting income mobility. This poor showing is largely because of the lack of economic diversity among our undergraduates. 4.3% of our students come from families in the top 1% of the income distribution, while only 4.7% come from the bottom 20%. Economic diversity at UO has been getting worse in recent years. In 2007 about 29% of our students came from the lowest 60% of the income distribution. Now about 21% do. The increasing enrollment of low to moderate income Oregon students in our Pathway program appears to have made only a small improvement in economic diversity - in part because Pathways does not tend to bring in the lowest income students, since it only pays tuition and not living expenses. The consequence is not only that UO is not fulfilling our students are increasingly interacting with students our mission as road to economic opportunity for our students, it also means that our students are less and less likely to interact with students from low-income families, and less likely to learn some important lessons about life in America.  
<https://www.nytimes.com/interactive/projects/college-mobility/university-of-oregon> The UO faculty has been running a program for the last 10 years to try and increase the number of low income Oregon students who complete 4 year college degrees. The Summer Academy to Inspire Learning runs free week-long summer day camps for local low-SES students. This year we had about 340 students and 100 faculty from 16 different academic departments. All the faculty volunteer their time. Students start as entering HS freshman, and come back each summer for a camp in a new subject. By the time they are HS graduates they've met dozens of faculty and UO students, been introduced to many fields of study, and been coached on how to apply to and pay for college. Many go straight into the Pathways program, which provides mentoring and support services to help them graduate. (Pathways is extraordinarily effective. Their students have a better completion rate than the average UO student, despite the fact they are all low income, and many are first generation.) We would like to urge the Board to learn more about SAIL and work with the faculty to expand the program.



## Agenda Item #2

### Seconded Motions and Resolutions from Committee



The Board of Trustees has the responsibility for approving a budget and related expenditure authorizations for each fiscal year. Normally this would occur at the Board's June meeting to ensure authorizations are established before the beginning of the next fiscal year (FY), which is July 1 of each year.

However, the Board approved expenditure authorizations for FY2018 that were temporary in nature and equal to the FY2017 authorization.

The temporary authorization was necessary because certain key items were then unknown, primarily the state appropriation to the Public University Support Fund, any legislatively-authorized bonds for capital projects, rates for employee health insurance as set by the Public Employee Benefit Board, and economic terms for a new collective bargaining agreement with SEIU Local 503.

These items have since become known or been resolved, allowing the administration to provide a more accurate request for both operating and capital expenditures.



## **Board of Trustees of the University of Oregon**

### **Seconded Motion: FY2018 Expenditure Authorizations**

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

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

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

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

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

WHEREAS, the Board of Trustees established a temporary expenditure authorization for fiscal year 2018 (FY18) in June and now intends to approve a final budget and expenditure authorization for the year; and,

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

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

1. RESOLVED, an operating budget in the sum of \$1,023,794,000 is adopted for fiscal year 2018. During fiscal year 2018, the Treasurer of the University may expend or authorize the expenditure of this sum plus three percent, subject to applicable law. In the event that such expenditure authority is insufficient, the Treasurer may seek additional expenditure authority from the Executive and Audit Committee of the Board of Trustees.
2. RESOLVED, a capital budget in the sum of \$169,800,000 is adopted for fiscal year 2018. During fiscal year 2018, the Treasurer of the University may expend or authorize the expenditure of this sum plus three percent, subject to applicable law. In the event that such expenditure authority is insufficient, the Treasurer may seek additional expenditure authority from the Executive and Audit Committee of the Board of Trustees.

3. RESOLVED, the Treasurer may provide for the further delegation of the authority set forth in paragraphs 1 and 2.

Trustee	Yes	No
Ballmer		
Bragdon		
Chapa		
Colas		
Curry		
Ford		
Gonyea		
Kari		
Lillis		
Murray		
Paustian		
Ralph		
Wilcox		

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



## FY18 Projected Operating Budget Expenditures

FY18 Projected Expenditures	E&G Funds	Annual Growth	Other Funds	Annual Growth	Total	Annual Growth
Salary and OPE (Benefits)*	\$420,054,000	6.1%	\$198,802,000	-3.7%	\$618,856,000	2.7%
Supplies and Services	\$83,047,000	4.7%	\$216,686,000	2.0%	\$299,733,000	2.7%
Capitalized Equipment	\$7,500,000	0.8%	\$2,800,000	-4.3%	\$10,300,000	-0.6%
Student Aid	\$4,500,000	1.3%	\$65,130,000	2.0%	\$69,630,000	2.0%
Net Transfers	\$14,000,000	-31.8%	\$11,275,000	18.0%	\$25,275,000	-16.0%
<b>Total</b>	<b>\$529,101,000</b>	<b>4.2%</b>	<b>\$494,693,000</b>	<b>-0.1%</b>	<b>\$1,023,794,000</b>	<b>2.1%</b>

FY17 Actual Expenditures	E&G Funds	Annual Growth	Other Funds	Annual Growth	Total	Annual Growth
Salary and OPE (Benefits)**	\$395,952,228	1.3%	\$206,440,096	11.2%	\$602,392,324	7.6%
Supplies and Services	\$79,327,868	3.9%	\$212,521,657	12.6%	\$291,850,000	8.6%
Capitalized Equipment	\$7,437,754	17.6%	\$2,924,867	-55.7%	\$10,362,620	2.1%
Student Aid	\$4,444,108	21.5%	\$63,842,919	-1.7%	\$68,287,026	2.6%
Net Transfers	\$20,542,861	88.3%	\$9,555,327	976.5%	\$30,098,188	178.7%
<b>Total</b>	<b>\$507,704,818</b>	<b>4.0%</b>	<b>\$495,284,865</b>	<b>10.9%</b>	<b>\$1,002,990,158</b>	<b>9.5%</b>

FY16 Actual Expenditures	E&G Funds	Annual Growth	Other Funds	Annual Growth	Total	Annual Growth
Salary and OPE (Benefits)	\$391,038,443	4.8%	\$185,647,426	-0.5%	\$576,685,869	3.0%
Supplies and Services	\$76,386,030	-0.6%	\$188,680,455	-1.7%	\$265,066,485	-1.4%
Capitalized Equipment	\$6,324,405	8.9%	\$6,596,310	51.8%	\$12,920,715	27.3%
Student Aid	\$3,657,165	-19.2%	\$64,949,710	4.7%	\$68,606,875	3.0%
Net Transfers	\$10,910,450	87.9%	\$887,669	-82.2%	\$11,798,119	9.2%
<b>Total</b>	<b>\$488,316,492</b>	<b>4.7%</b>	<b>\$446,761,571</b>	<b>-0.7%</b>	<b>\$935,078,063</b>	<b>2.1%</b>

## NOTES

\* - Combined Salary and OPE due to move to blended OPE beginning FY18

## FY18 Projected Operating Revenue

FY18 Projected Revenue	E&G Funds	Annual Growth	Other Funds	Annual Growth	Total	Annual Growth
State Appropriation	\$70,526,000	5.6%	\$1,731,000	0.0%	\$72,257,000	5.4%
Tuition and Fees	\$422,541,000	5.2%	\$45,642,000	2.0%	\$468,183,000	4.9%
Gifts Grants & Contracts	\$315,000	1.4%	\$182,102,000	-0.1%	\$182,417,000	-0.1%
ICC Revenue	\$22,000,000	0.5%	\$0	0.0%	\$22,000,000	0.5%
Federal Student Aid	\$0	0.0%	\$23,500,000	0.4%	\$23,500,000	0.4%
Interest and Investment	\$5,710,000	10.1%	\$13,329,000	-1.5%	\$19,039,000	1.8%
Internal Sales	\$3,000,000	91.3%	\$60,016,000	1.2%	\$63,016,000	3.5%
Sales & Services	\$4,400,000	2.4%	\$165,867,000	-0.2%	\$170,267,000	-0.2%
Other Revenues	\$1,100,000	-89.4%	\$6,773,000	-2.9%	\$7,873,000	-54.7%
Transfers From Ore State Agencies	\$0	0.0%	\$8,250,000	-0.1%	\$8,250,000	-0.2%
<b>Total</b>	<b>\$529,592,000</b>	<b>3.4%</b>	<b>\$507,210,000</b>	<b>0.1%</b>	<b>\$1,036,802,000</b>	<b>1.8%</b>

FY17 Actual Revenue	E&G Funds	Annual Growth	Other Funds	Annual Growth	Total	Annual Growth
State Appropriation	\$66,801,344	3.0%	\$1,731,024	0.0%	\$68,532,368	3.0%
Tuition and Fees	\$401,585,095	1.7%	\$44,733,423	-4.7%	\$446,318,518	1.0%
Gifts Grants & Contracts	\$310,800	-33.1%	\$182,279,154	6.1%	\$182,589,954	6.0%
ICC Revenue	\$21,895,847	7.0%	\$0	0.0%	\$21,895,847	7.0%
Federal Student Aid	\$0	0.0%	\$23,414,554	-1.3%	\$23,414,554	-1.3%
Interest and Investment	\$5,184,658	4.8%	\$13,525,970	-6.2%	\$18,710,628	-3.4%
Internal Sales	\$1,568,535	1007.9%	\$59,298,758	20.8%	\$60,867,293	23.6%
Sales & Services	\$4,295,686	78.5%	\$166,280,822	19.6%	\$170,576,509	20.6%
Other Revenues	\$10,386,884	842.8%	\$6,976,240	-65.7%	\$17,363,123	-19.0%
Transfers From Ore State Agencies	\$11,111	0.0%	\$8,258,760	0.7%	\$8,269,871	0.8%
<b>Total</b>	<b>\$512,039,960</b>	<b>4.7%</b>	<b>\$506,498,704</b>	<b>6.6%</b>	<b>\$1,018,538,665</b>	<b>5.6%</b>

FY16 Actual Revenue	E&G Funds	Annual Growth	Other Funds	Annual Growth	Total	Annual Growth
State Appropriation	\$64,831,043	15.5%	\$1,731,024	0.9%	\$66,562,067	15.1%
Tuition and Fees	\$394,747,172	6.0%	\$46,941,794	-8.0%	\$441,688,966	4.3%
Gifts Grants & Contracts	\$464,372	38.0%	\$171,727,148	0.8%	\$172,191,520	0.9%
ICC Revenue	\$20,470,538	6.7%	\$0	0.0%	\$20,470,538	6.7%
Federal Student Aid	\$0	0.0%	\$23,727,696	-2.7%	\$23,727,696	-2.7%
Interest and Investment	\$4,948,026	-4.6%	\$14,425,652	2.8%	\$19,373,679	0.8%
Internal Sales	\$141,581	488.1%	\$49,104,111	2.1%	\$49,245,692	2.3%
Sales & Services	\$2,406,329	-6.1%	\$139,043,218	-5.8%	\$141,449,547	-5.8%
Other Revenues	\$1,101,711	-54.0%	\$20,323,166	340.6%	\$21,424,877	205.8%
Transfers From Ore State Agencies	\$0	-100.0%	\$8,202,824	7.7%	\$8,202,824	4.2%
<b>Total</b>	<b>\$489,110,772</b>	<b>6.7%</b>	<b>\$475,226,633</b>	<b>1.2%</b>	<b>\$964,337,405</b>	<b>3.9%</b>

**FY18 Capital Project Expenditure Budgets**

<b>Project</b>	<b>FY18 Budget</b>	<b>Expected Primary Source of Total Project Funds</b>
Knight Campus	\$ 30,000,000	Gifts/G-Bonds*
Bean Hall	\$ 23,500,000	Revenue Bonds
Tykeson Hall	\$ 20,000,000	Gifts/G-Bonds/Institutional Funds
Klamath Hall Renovation	\$ 15,000,000	G-Bonds/Q-Bonds/Revenue Bonds
Pacific Hall CMER Labs	\$ 15,000,000	Gifts/Revenue Bonds
Misc Capital Repair Projects	\$ 13,800,000	Q-Bonds/Institutional Funds
Misc. Departmental Projects	\$ 19,800,000	Department Funds
New Residence Hall	\$ 7,000,000	Revenue Bonds
Oregon Hall	\$ 7,000,000	Revenue Bonds
Chapman Hall	\$ 6,700,000	Gifts/G-Bonds/Q-Bonds
510 Oak Street	\$ 4,300,000	Department Funds
Classroom Building	\$ 2,000,000	Gifts/Revenue Bonds
Price Commons	\$ 1,600,000	Department Funds
University Health Expansion	\$ 1,500,000	Revenue Bonds
Bach Festival Addition	\$ 2,600,000	Gifts
<b>Total FY18 Projects</b>	<b>\$ 169,800,000</b>	

The budgets represent the FY18 expenditure budget not the full budget for each project

- \* pending board approval for construction budget

University policy stipulates that the Board of Trustees must approve the naming of any university buildings or outdoor areas in recognition of individuals or organizations. (See Policy I.01.01, Section 1.7.1.) One such request, which originated with University Housing, is before the Board at the recommendation of President Schill: to name a recently completed residence hall **“Kalapuya Ilihi Hall.”**

The University of Oregon sits on the homeland of the indigenous Kalapuya (kal-uh-PU-ya) tribe. Ilihi (ILL-I-hi) means “homeland” in Chinuk wawa, a common language of the region in the 19<sup>th</sup> century. Thus, Kalapuya Ilihi means Kalapuya homeland.

University Housing managed a process that sought public input and suggestions for possible names. Work began with a team that put together parameters for the new name. More than 14 names were proposed, which were in turn reviewed by the work group. Housing indicates that the recommendation was a “clear decision.” Following the group’s selection, Jason Younger, the UO’s tribal liaison worked with the Confederated Tribes of the Grand Ronde Community and the Confederated Tribes of Siletz Indians of Oregon to secure support. Both tribes have enrolled descendants of the Kalapuya and have given consent to use Kalapuya Ilihi.

Additional information on the selection and the Hall itself can be found within this quarter’s Finance and Facilities Committee materials.

## **Board of Trustees of the University of Oregon**

### **Seconded Motion: Naming of Certain University Facilities (Kalapuya Ilihi Hall)**

WHEREAS, the University of Oregon wishes to recognize the indigenous nation, Kalapuya, whose homeland lies where the University of Oregon now sits;

WHEREAS, Kalapuya Ilihi translates as Kalapuya Homeland;

WHEREAS, this name was recommended by a committee of University of Oregon students, faculty, and staff who reviewed more than a dozen proposals;

WHEREAS, the name is supported by the Confederated Tribes of the Grand Ronde Community and the Confederated Tribes of Siletz Indians of Oregon, both of which have enrolled descendants of the Kalapuya people;

WHEREAS, the new residence hall is located next to the Many Nations Longhouse and will be home to the Native American and Indigenous Studies Academic Residential Community;

WHEREAS, Section 1.7.1 of the University of Oregon's Policy on the Retention and Delegation of Authority requires approval by the Board of Trustees (the "Board") when naming any university building in recognition of individuals or organizations; and,

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

NOW THEREFORE, the Board of Trustees hereby names newly-completed residence hall **Kalapuya Ilihi Hall**.

*Vote recorded on the following page*



Trustee	Yes	No
Ballmer		
Bragdon		
Chapa		
Colas		
Curry		
Ford		
Gonyea		
Kari		
Lillis		
Murray		
Paustian		
Ralph		
Wilcox		

Dated: \_\_\_\_\_ Recorded: \_\_\_\_\_

The Board of Trustees is asked to authorize the issuance of general obligation revenue bonds not to exceed a par amount of \$60,000,000. UO policy requires board approval for financing activity in excess of \$5,000,000.

Proceeds will be used to provide capital to UO's internal bank so that it has long-term funds to lend for authorized capital projects that benefit the university. The largest recipient of funding is expected to be student housing (for Bean Hall) as they proceed with their renovation plan. They will repay the internal bank from student housing revenues. The remainder will be used for various smaller projects and to cover costs related to the bond sale.

We expect to issue the bonds by June 30, 2018, with a maturity before year-end 2048. The sale is currently targeted for January 2018. Debt service on amortizing debt is estimated to be \$4.0-\$4.3 million per year or, if an interest only structure is used, annual interest payments are likely to be approximately \$3.0 million using 5.00% coupons.

The resolution authorizes UO's treasurer, or designee, to issue the bonds, establish the structure and payment terms of the bonds, and issue additional bonds to defease or refund other outstanding long-term obligations for the purpose of reducing costs. It includes a provision that the Board Chair and Chair of the Finance and Facilities Committee will review key details and approve the transaction prior to the treasurer giving final approval on the terms of the sale.

The policy relating to liability management states that the Board will consider the three things, outlined below, before authorizing long-term debt.

#### **Impact of the New Bonds on UO's Ability to Achieve Its Mission**

- This sale is a part of UO's 10-year capital plan that encompasses all building types and all funding sources
- Improved student housing enhances the student experience and favorably impacts recruitment and enrollment
- Other renovations enhance the educational experience and are important to operate the university efficiently

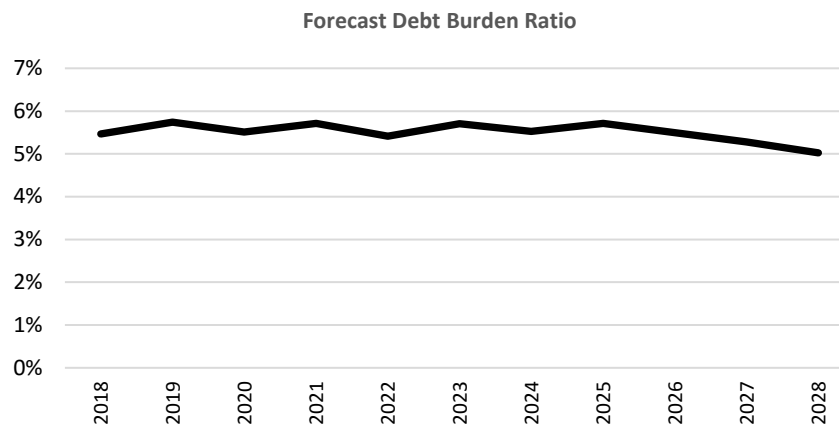
#### **Cost of Capital**

- The effective interest cost for the transaction will be based upon many factors that will be unknown until the time of the sale including: structure and maturity, use of taxable versus tax-exempt debt, credit rating, pricing and demand, and market conditions at time of sale.
- It is impossible to accurately predict the all-in true interest cost of a future dated sale but for comparison:

	30-year Aa2 MMD <sup>1</sup>	Yield-to-call	All-in TIC
<b>2015A</b>	3.18%	3.18%	4.14%
<b>2016A</b>	2.62%	2.63%	3.88%
<b>Aug. 4 2017</b>	2.95%	--	--

### How the Transaction Affects UO's Ability to Meet Existing Obligations

- The chart shows UO's estimated debt burden ratio. These forward-looking estimates incorporate the 10-year capital plan and expected future bond sales to support that plan.
- The debt burden ratio remains under 6%. The forecast includes this sale as well as planned future sales in FY20, FY22, and FY24. Industry experts state that institutions with debt burden ratios under 7% find it easier to issue additional debt.
- UO policy states that we evaluate bonds using an amortizing structure as our base case to ensure sufficient cash flow to cover principal repayment. It should be noted that we might utilize a bullet or barbell structure if that better suits our needs.



<sup>1</sup> As of the Friday prior to pricing the bonds as published by Morgan Stanley

## **Board of Trustees of the University of Oregon**

### **Seconded Motion: Authorization of 2018 General Revenue Bonds**

WHEREAS, ORS 352.087(1)(b) authorizes the University of Oregon (the “University”) to borrow money for the needs of the University in such amounts, at such times, and upon such terms as may be determined by the University acting through its Board of Trustees (the “Board”);

WHEREAS, ORS 352.408(1) authorizes the University to issue revenue bonds for any lawful purpose of the University in accordance with ORS chapter 287A, and to issue refunding bonds under ORS 287A.360 to ORS 287A.380 of the same character and tenor as the revenue bonds replaced;

WHEREAS, Section 3.1 of the University Treasury Management Policy provides that the University may use debt or other financing agreements to meet its strategic objectives and, pursuant to Section 3.2 of the Treasury Management Policy, the Board, or its designated Committee, must authorize debt transactions, financing agreements, hedging instruments, and other derivatives when the par or notional amount is greater than \$5,000,000;

WHEREAS, Section 3.4.2 of the University Treasury Management Policy authorizes the Treasurer to enter into financing transactions for the purpose of mitigating the risk of existing obligations and/or reducing the overall cost of debt;

WHEREAS, the University now desires to authorize the issuance of one or more series of general revenue bonds in an aggregate principal amount not to exceed \$60,000,000;

WHEREAS, ORS 352.087(1)(t) authorizes the University to delegate any and all powers and duties, subject to the limitations expressly set forth in law;

WHEREAS, the Board has considered the impact of the general revenue bonds authorized by this resolution on the University’s ability to achieve its mission and strategic objectives, the cost of issuing and paying the bonds, and how the bonds will affect the University’s ability to meet its existing obligations, and has determined that it is in the best interests of the University to approve the issuance of the bonds as set forth in this resolution, and to delegate the powers of the Board related to the bonds to the Treasurer of the University, and her designee, to approve the sale of the bonds and certain terms of the bonds; and,

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

NOW, THEREFORE, the Board of Trustees hereby adopts the following:

**1. Appointment of Authorized Representative.** The Board hereby authorizes the Treasurer of the University, and her designee, each acting individually and on behalf of the University and not in his or her personal capacity (the “Authorized Representative”), to act as the authorized representative for and on behalf of the University in connection with the issuance and sale of general revenue bonds (the “New Money Revenue Bonds”) and general revenue refunding bonds (the “Refunding Revenue

Bonds” and, together with the New Money Revenue Bonds, the “Revenue Bonds”) to carry out the purposes and intent of this resolution. Subject to any limitations of this resolution, the signature of the Authorized Representative or his or her designee shall be sufficient to bind the University with respect to any Revenue Bonds, certificate, agreement or instrument related thereto, and shall be sufficient to evidence the Authorized Representative’s approval of the terms thereof.

**2. New Money Revenue Bonds Authorized.** The Board hereby authorizes the issuance of not more than Sixty Million Dollars (\$60,000,000) in aggregate principal amount of New Money Revenue Bonds under ORS 352.087(1)(b) and/or ORS 352.408 for University purposes, to fund debt service reserves, if any, and to finance other costs related to issuing a series of New Money Revenue Bonds, including but not limited to capitalizing interest.

**3. Special Obligations of the University.** The Revenue Bonds shall be special obligations of the University that are payable solely from legally available revenues of the University that the University pledges to pay the Revenue Bonds.

**4. Bond Sale Authorized.** The Authorized Representative is hereby authorized, on behalf of the Board and without further action by the Board, to take any of the following actions that may be required if needed in connection with the issuance and sale of Revenue Bonds authorized herein:

**(a)** Issue the Revenue Bonds in one or more series and at different times; provided that any series of Revenue Bonds under this resolution shall be issued on or before June 30, 2018.

**(b)** Pledge all or any portion of the legally available revenues of the University to pay and secure the payment of the principal of and interest on each series of Revenue Bonds, and determine the lien status of each pledge.

**(c)** Apply the proceeds of any series of New Money Revenue Bonds to pay or reimburse costs of the University, to fund debt service reserves, if any, and to pay other costs related to issuing a series of Revenue Bonds, including but not limited to capitalizing interest.

**(d)** Determine whether to pay or refinance short-term or interim financing or to defease, refund or prepay University obligations including any or all of the payments to be made by the University in connection with bonds issued by the State of Oregon for the benefit of the University.

**(e)** Apply the proceeds of any series of Refunding Revenue Bonds to pay or refinance short-term or interim financing, to defease, refund or prepay University obligations including any or all of the payments to be made by the University in connection with bonds issued by the State of Oregon for the benefit of the University, to pay costs of issuance, and to pay defeasance, prepayment and refunding costs.

(f) Participate in the preparation of, authorize the distribution of, and deem final the preliminary and final official statements and any other disclosure documents for any series of Revenue Bonds.

(g) Establish the final principal amount, maturity schedule, interest payment dates, interest rates, denominations and all other terms for each series of Revenue Bonds; provided, that the true interest cost of any New Money Revenue Bonds shall not exceed eight percent per annum, and the final maturity date for any New Money Revenue Bond shall be on or before October 1, 2048.

(h) Select one or more underwriters or lenders and negotiate the sale of that series of Revenue Bonds to those underwriters or lenders, and execute and deliver one or more bond purchase agreements.

(i) Undertake to provide continuing disclosure for any series of Revenue Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.

(j) Apply for rating(s) for any series of Revenue Bonds.

(k) Draft and approve the terms of, and execute and deliver, one or more bond declarations which pledge all or a portion of the legally available revenues of the University to particular series of Revenue Bonds, make covenants for the benefit of owners of the Revenue Bonds, describe the terms of the Revenue Bonds that are issued under that bond declaration, and describe the terms under which future obligations may be issued on a parity with those Revenue Bonds.

(l) Appoint and enter into agreements with paying agents, escrow agents, bond trustees, verification agents, and other professionals and service providers.

(m) Issue any series of Revenue Bonds as taxable bonds, including taxable bonds that are eligible for federal interest subsidies or tax credits.

(n) Issue any series of Revenue Bonds as governmental and/or 501(c)(3) tax-exempt bonds, hold public hearings, take actions and enter into covenants to maintain the tax status of that series of Revenue Bonds under the Internal Revenue Code of 1986, as amended (the "Code").

(o) Provide for the Revenue Bonds to be held in certificated or uncertificated form.

(p) Execute and deliver any agreements or certificates and take any other action in connection with the Revenue Bonds that an Authorized Representative finds will be advantageous to sell and issue the Revenue Bonds and carry out this resolution.

**5. Ratification and Approval of Actions.** The Board hereby ratifies and approves all prior actions taken on behalf of the Board or University related to such Revenue Bonds. The Board hereby authorizes, empowers, and directs the Authorized

Representative to take further actions as may be necessary or desirable related to such Revenue Bonds, including, without limitation, the execution and delivery of agreements necessary or desirable to carry out such actions or arrangements, and to take such other actions as are necessary or desirable for the purposes and intent of this resolution. Notwithstanding the above, the Treasurer shall obtain approval from the chair of the Board and the chair of the Finance and Facilities Committee prior to executing final agreements necessary to issue such Revenue Bonds.

**6. Effective Date.** This resolution shall take effect immediately upon adoption by the Board.

Trustee	Yes	No
Ballmer		
Bragdon		
Chapa		
Colas		
Curry		
Ford		
Gonyea		
Kari		
Lillis		
Murray		
Paustian		
Ralph		
Wilcox		

Date: \_\_\_\_\_ Recorded: \_\_\_\_\_





The University of Oregon serves as the sponsor and administrative manager of retirement plans for all seven public universities in Oregon. There are two primary plans: the Optional Retirement Plan (an alternative to PERS) and the Tax-Deferred Investment 403(b) Plan (a supplemental voluntary retirement plan).

UO sponsors other plans, including a plan that the public universities recently stopped using: the Oregon Public Universities Supplemental Retirement Plan, or SRP. The SRP is a 401(a) cash balance plan previously used by university presidents whose compensation included a component contribution to the SRP.

None of the universities or their presidents are currently participating in the SRP. UO recently distributed the last of all retirement benefits owed under the plan and no active participants remain. UO now wishes to terminate the plan, and the other universities support UO's proposal to shut down the SRP.

Due to UO's position as plan sponsor and administrator, including the Board's prior adoption of the SRP in June 2014, the UO Board of Trustees is responsible for determining whether to terminate the plan. The attached resolution gives the president, or his designee, authority to complete any steps and transactions necessary to close the plan.

## **Board of Trustees of the University of Oregon**

### **Seconded Motion: Termination of the Supplemental Retirement Plan**

WHEREAS, the Board of Trustees of the University of Oregon (the “Board”) adopted and approved the Oregon Public Universities Supplemental Retirement Plan (the “SRP”) pursuant to a resolution dated June 12, 2014;

WHEREAS, the University is the plan sponsor of the SRP and the “Employer” pursuant to Section 2.10 of the SRP;

WHEREAS, the Employer, the University, retains the right to terminate the SRP by written action of its Board at any time pursuant to Section 10.2 of the SRP;

WHEREAS, there are no longer any employee participants (the “Participants”) in the SRP and all such Participants have received complete distributions of any benefits held in the SRP;

WHEREAS, the University, with the support of the other participating public universities of the State of Oregon, desires to terminate the SRP; and,

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

NOW, THEREFORE, the Board of Trustees hereby adopts the following:

1. The SRP is terminated immediately upon adoption of this resolution by the Board of Trustees.
2. Pursuant to Section 10.3 of the SRP, all Participant benefits accrued to the date of Termination of the SRP that are not already vested and nonforfeitable are hereby fully vested and nonforfeitable.
3. The University will require the Participating Employers, as defined in Section 2.18 of the SRP, to contribute all amounts necessary to fund the benefits to employee participant pursuant and subject to applicable law, the terms of the SRP, and the Retirement Plans Participation Agreements between the University and each of the other participating public universities of the State of Oregon.
4. The President of the University, or the President’s designee, is authorized and empowered to prepare such documents, to execute such plan amendments, to make such filings, and to take any additional actions he or she, in his or her discretion and on advice of counsel, deems necessary or advisable to effect the

purposes and intent of this resolution. The President, or the President's designee, shall do so no later than December 31, 2018.

5. Any actions previously taken by the officers or employees of the University leading to the effectuation of this resolution are hereby ratified and confirmed.

Trustee	Yes	No
Ballmer		
Bragdon		
Chapa		
Colas		
Curry		
Ford		
Gonyea		
Kari		
Lillis		
Murray		
Paustian		
Ralph		
Wilcox		

Date: \_\_\_\_\_

Recorded: \_\_\_\_\_



### Agenda Item #3

Research Area in Focus - META Center for Systems Biology



Karen Guillemin is a Philip H. Knight Professor and a member of the Department of Biology and the Institute of Molecular Biology at the University of Oregon. She is the founding director of the Microbial Ecology and Theory of Animals (META) Center for Host-Microbe Systems Biology, an NIH funded National Center for Systems Biology established in 2012. Guillemin received her bachelor's degree in Biochemical Sciences from Harvard College and her Ph.D. from the Department of Biochemistry at Stanford University School of Medicine, where she worked with Dr. Mark Krasnow studying organ development in the model organism of the fruit fly. She continued her postdoctoral training at Stanford in the Department of Microbiology and Immunology with Dr. Stanley Falkow, investigating the bacterial pathogen and carcinogen, *Helicobacter pylori*. Since joining the faculty of the University of Oregon in 2001, she has established an independent research program that combines her interests in animal development and bacterial-host interactions. Her research group has been instrumental in pioneering the use of gnotobiotic zebrafish to study how resident microbial communities assemble and modulate host biology.

## **The META Center for Host-Microbe Systems Biology**

The Microbial Ecology and Theory of Animals (META) Center for Host-Microbe Systems Biology at the University of Oregon is devoted to understanding the assembly, dynamics, and function of host-associated microbial communities. Recent scientific advances have revealed the complexity of the microbial communities, or microbiomes, of humans, and suggested that altered microbiomes contribute to a wide range of diseases from autoimmunity to autism. A major challenge for the field of microbiome science is to move beyond descriptive and correlative studies to understanding how resident microbes impact our health. The META Center uses elegant experimental approaches with sterile animals, as well as sophisticated theoretical modeling, to reveal the operating principles of host-microbe systems. Only with these mechanistic studies will we be able to learn to manipulate our microbiomes to promote health.

The Center was founded in 2012 through funding by the National Institutes of Health (NIH) for a National Center for Systems Biology, joining an elite group of a dozen such centers at institutions such as Stanford, Harvard, and MIT. The Center is directed by Karen Guillemin, a microbiologist and developmental biologist, who has pioneered the use of zebrafish to study host-microbe systems. The founding dozen faculty of the META Center spanned the departments of Biology, Physics, Chemistry, Mathematics, and Computer and Information Science. The research opportunities offered by the META Center have helped recruit four new faculty members to the University of Oregon over the past three years.

By bringing together researchers from diverse backgrounds to tackle complex problems, the META Center creates a stimulating interdisciplinary research environment that produces important scientific discoveries. Research from the Center has already produced over twenty publications in top tier journals, with many more in review or in preparation. Importantly, the research successes of the META Center have helped to attract additional grants, thereby diversifying the funding portfolio of the Center to include additional NIH awards and grants from the National Science Foundation and the Kavli Foundation. In addition to large research grants, the META Center has been instrumental in helping postdoctoral fellows garner competitive fellowships from the NIH and the American Cancer Society.

The most important output of the META Center has been its trainees. The Center offers a unique training environment for postdoctoral fellows, graduate students, and undergraduate researchers. Many of these trainees are formally co-mentored and all are involved in projects that immerse them in the concepts, conventions, and approaches of multiple scientific disciplines. Our trainees become multi-lingual in microbiology, ecology, genomics, computational biology, biophysics, developmental biology, neurobiology, structural biology, and microscopy. Our graduate students are sought after as postdoctoral fellows, landing prestigious positions at Stanford and Princeton, and several of our postdocs have gone on to faculty positions. The full training impact of the META Center will emerge over the next decade as our trainees establish their own scientific careers.

As the META Center has matured, its scope has expanded beyond the aims of a single grant to encompass a larger mission of understand host-microbe systems biology at a deep, mechanistic level. This goal has inspired explorations of multiple host-microbe systems, from simple model organisms to humans. An exciting development for the Center has been the expansion of the Center's research into human microbiome studies with colleagues from the departments of Anthropology and Psychology and the College of Education. These research initiatives take full advantage of the interdisciplinary opportunities afforded by a comprehensive research university, and coupled with manipulative experimental studies that lie at the core of the META Center's activities, promise to make transformative advances in the health of humans and their microbial ecosystems.

# META Center for Host-Microbe Systems Biology

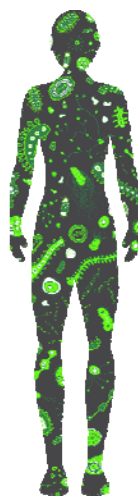
*Karen Guillemin*



All animals are systems of interacting cells

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human genome:  
~25,000 genes

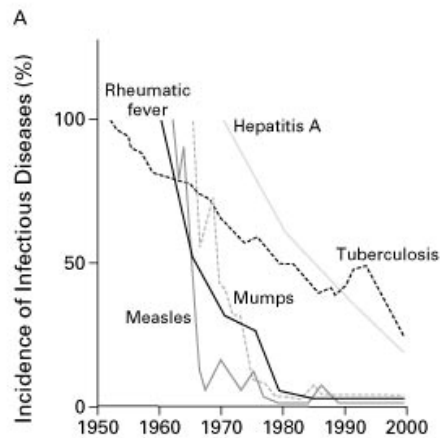


human microbiome:  
~2,500,000 genes



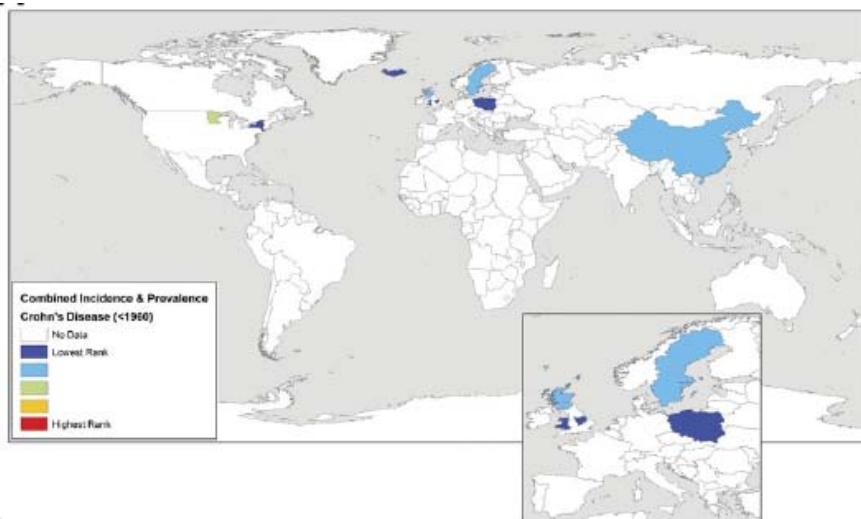


## Our microbial ecology is changing rapidly



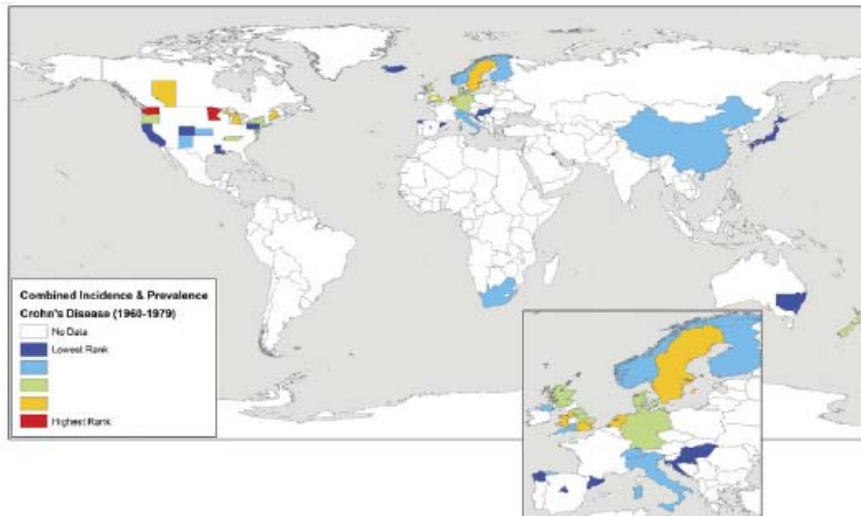
Bach J. *N Engl J Med* 2002

## Crohn's Disease Incidence before 1960



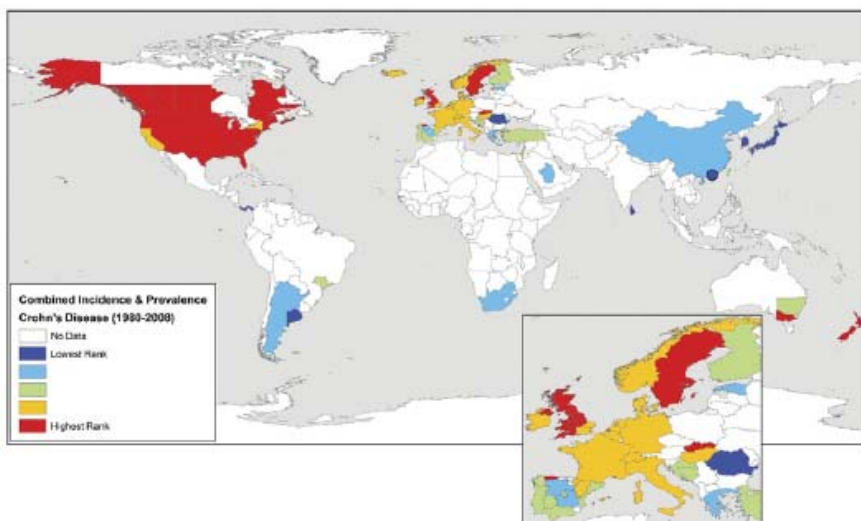
Molodecky et al. (2012) *Gastroenterology*

## Crohn's Disease Incidence 1960-1979



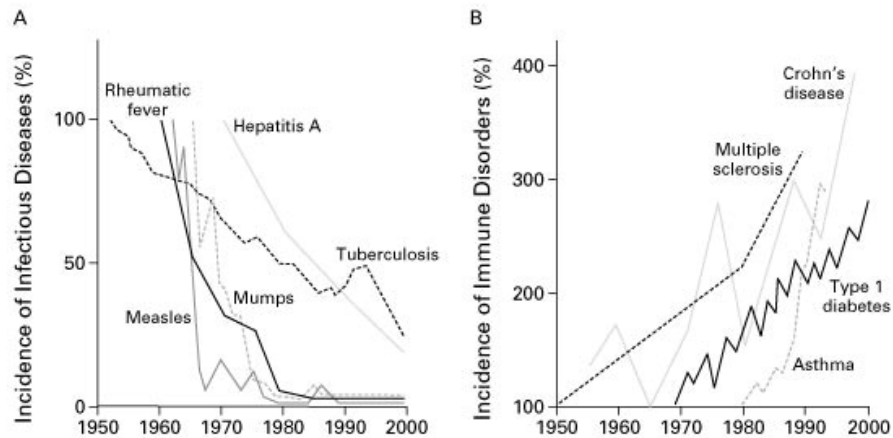
Molodecky et al. (2012) *Gastroenterology*

## Crohn's Disease Incidence 1980-2010



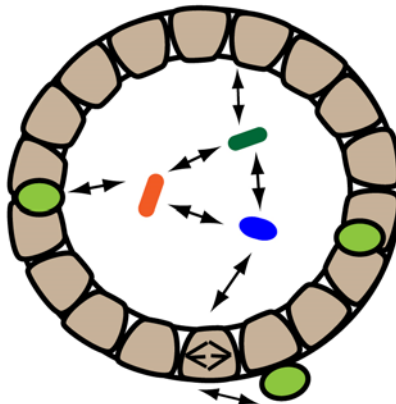
Molodecky et al. (2012) *Gastroenterology*

## Our microbial ecology is changing rapidly

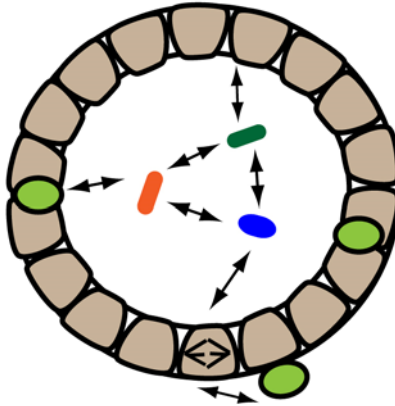


Bach J. *N Engl J Med* 2002

## All animals are systems of interacting host and microbial cells



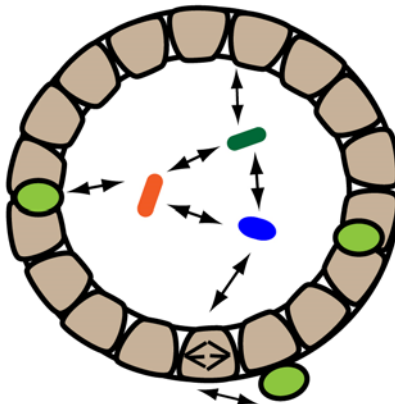
## Understanding systems through construction and modeling



- Build simple systems from component parts
- Develop models to describe behavior
- Increase system complexity and test understanding



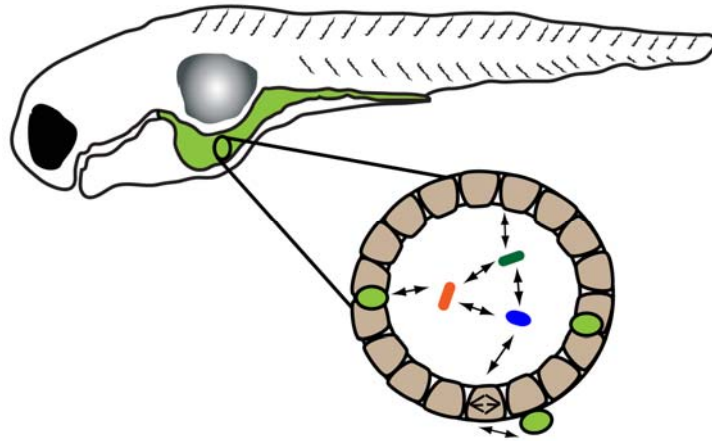
## Understanding systems by linking patterns with processes



- Comprehensively describe complex host-microbe systems
- Develop theory to explain patterns
- Perturb system and test understanding



## Zebrafish: a model vertebrate for studying Host-Microbe Systems Biology



## Zebrafish: a model system started at UO

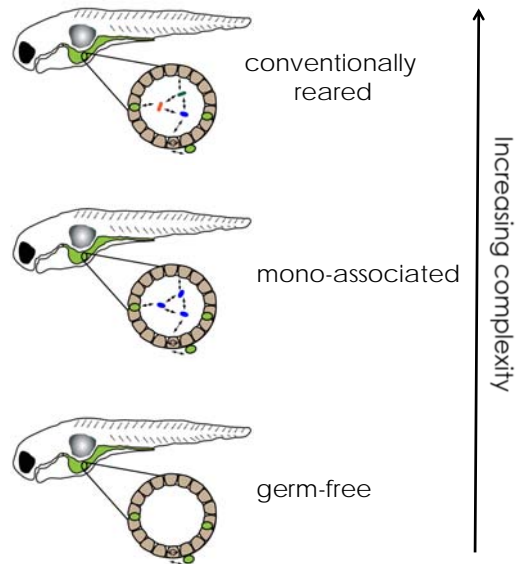


George Streisinger

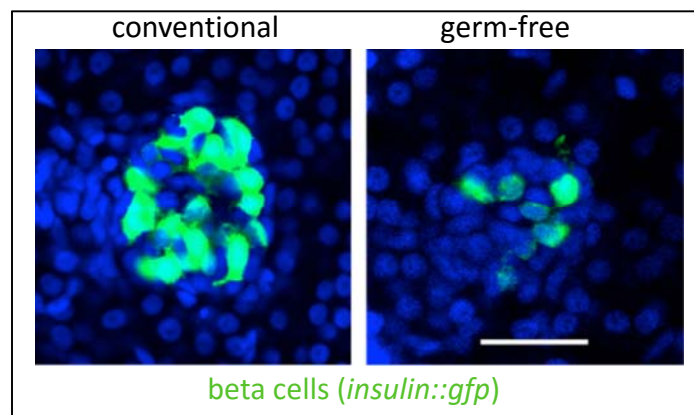


video by Rolf Karlstrom and Don Kane; *Development* 1996

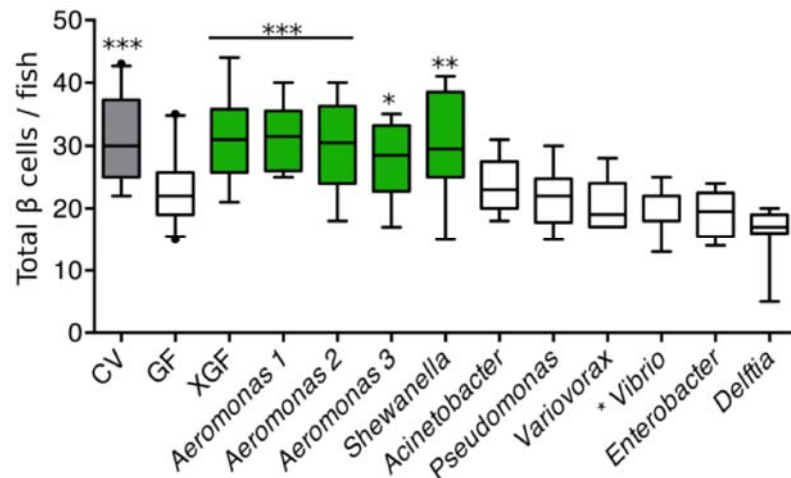
## Zebrafish: a host-microbe system of scalable complexity



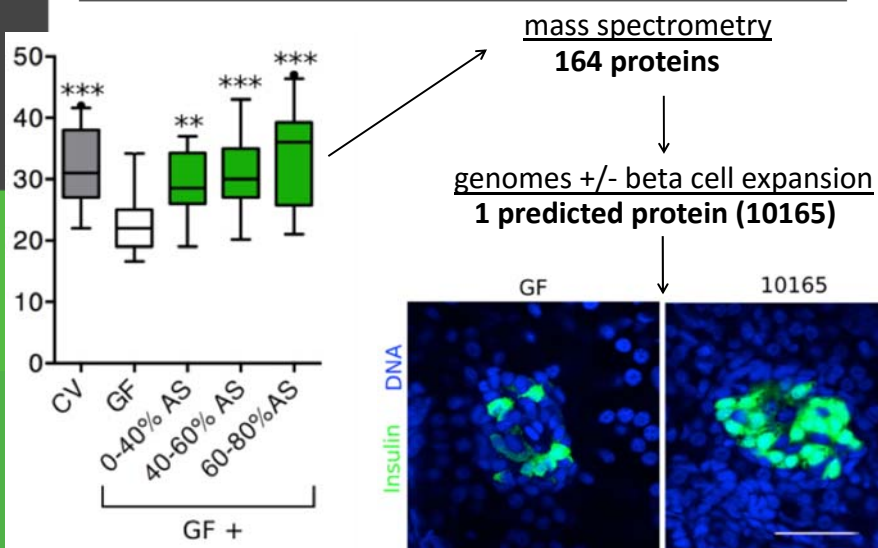
## Microbiota promote pancreatic beta cell mass



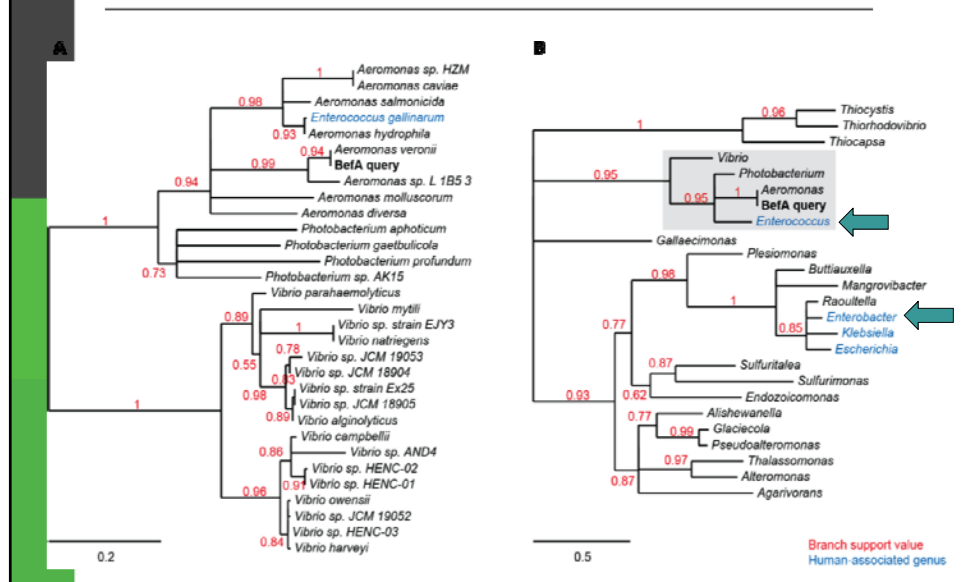
## Specific gut bacteria are sufficient to restore beta cell expansion



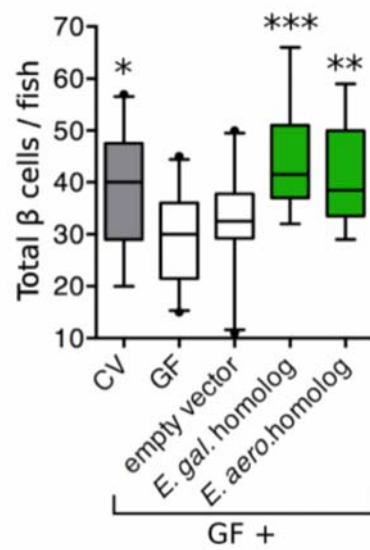
## Identification of Beta cell Expansion Factor (BefA)



## BefA homologues in human-associated bacteria

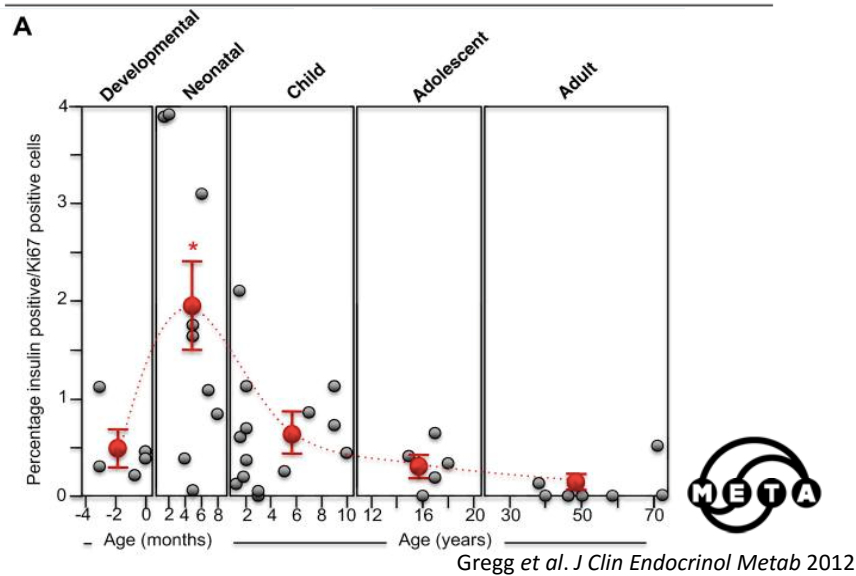


## BefA homologues from human bacteria induce beta cell expansion



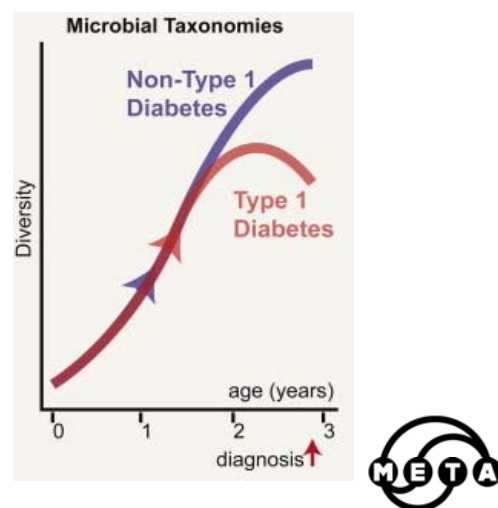


## Human beta cells proliferate early in life, concurrent with microbiota establishment



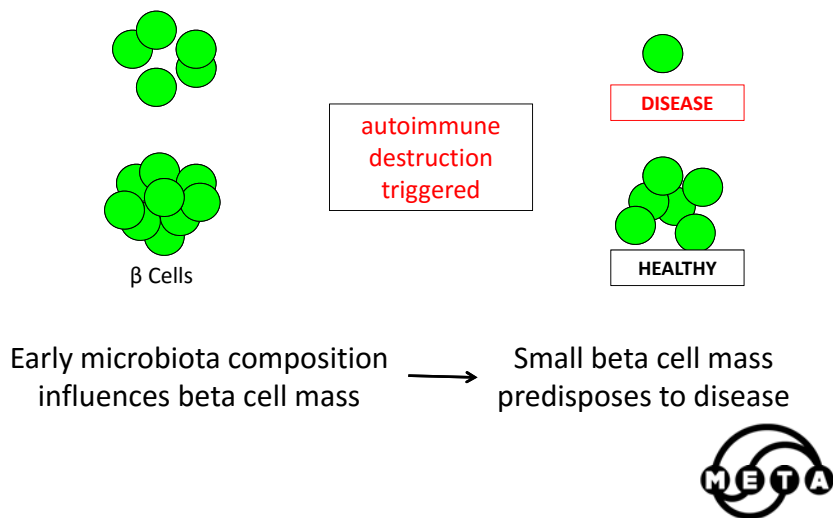
## Low fecal microbiota diversity in children is predictive of type 1 diabetes onset

**Longitudinal study:**  
33 infants, all  
genetically predisposed  
to develop type 1  
diabetes (T1D)

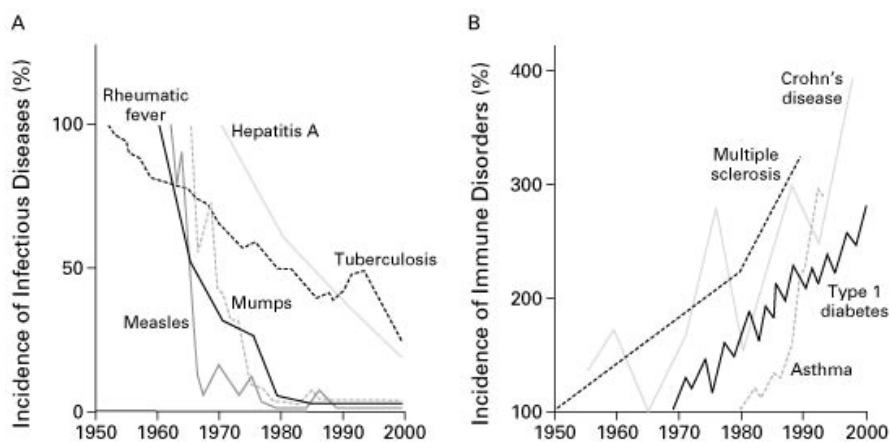


Kostic et al. Cell H&M 2015

## Early microbiota-modulated events may predispose for later disease development



## Our microbial ecology is changing rapidly



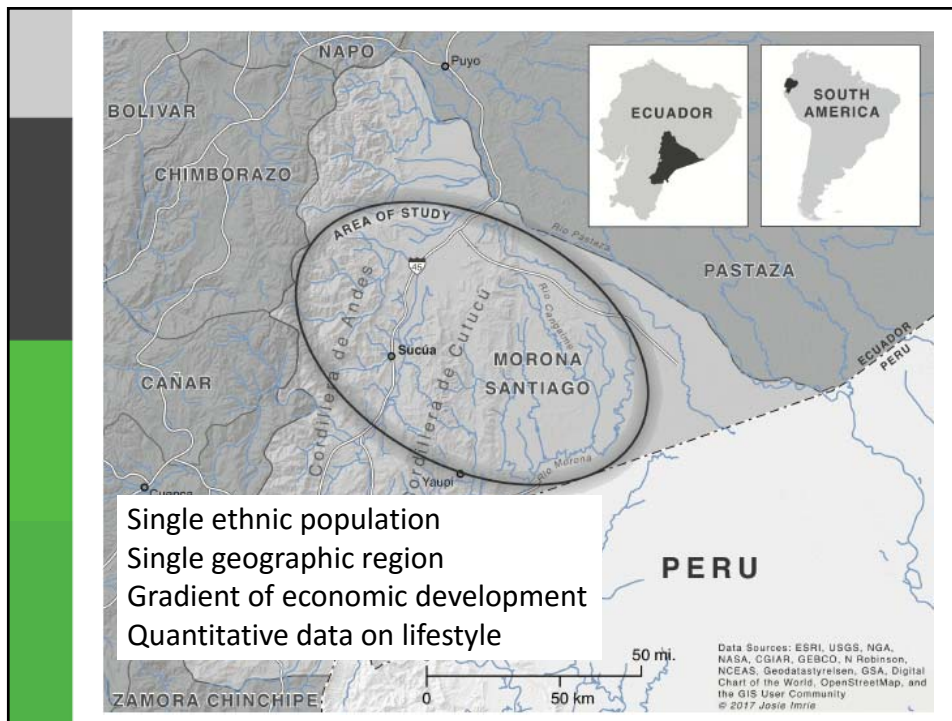
Bach J. *N Engl J Med* 2002

## Microbiome changes across a gradient of economic development

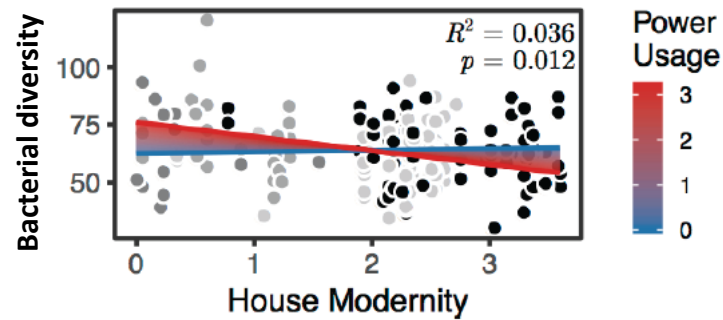
Josh Snodgrass, Anthropology  
Larry Sugiyama, Anthropology  
Brendan Bohannon, Biology  
Karen Guillemin, Biology

### **The Shuar Health and Life History Project**

Department of Anthropology  
University of Oregon



## Bacterial diversity decreases with house modernity and power usage



Stagaman et al., 2017 *PLoS Biol*, in review

## META Center research impacts

### 28 publications or manuscripts in review including:

Rolig, A. S., E. K. Mittge, J. Ganz, J. V. Troll, E. Melancon, T. J. Wiles, K. Alligood, W. Z. Stephens, J. S. Eisen, and K. Guillemin. 2017. The enteric nervous system promotes intestinal health by constraining microbiota composition. *PLoS Biol*.

Hill, J. H., E. A. Franzosa, C. Huttenhower, and K. Guillemin. 2016. A conserved bacterial protein induces pancreatic beta cell expansion during zebrafish development. *Elife*.

Wiles, T. J., M. Jemielita, R. P. Baker, B. H. Schlomann, S. L. Logan, J. Ganz, E. Melancon, J. S. Eisen, K. Guillemin, and R. Parthasarathy. 2016. Host Gut Motility Promotes Competitive Exclusion within a Model Intestinal Microbiota. *PLoS Biol*.

## META Center: A truly interdisciplinary training environment



**Matt Jemielita**  
physicist,  
microbiologist,  
zebrafish biologist  
→ Postdoc  
Princeton



**Julia Ganz**  
neuroscientist,  
gnotobiologist,  
microscopist  
→ Asst Prof  
Michigan State



**Kat Milligan-Myhre**  
microbiologist,  
population geneticist  
→ Asst Prof  
U Alaska Anchorage



## META Center: transforming the UO

- New faculty: Tristan Ursell (Physics); Anne Powell, Matthew Barber, Nadia Singh (Biology)
- New funding: e.g. NIMH R33; NSF; Kavli Foundation
- Major renovations of research space
- Increased course offerings in statistics, computation, and bioinformatics
- Prioritized future hiring in quantitative biology and human microbiome science
- Building connections across campus and OHSU and OSU





## Agenda Item #4

### The Size (Population) of Campus – Considerations and Analysis

*There are no materials for this section*



## Agenda Item #1 - Supplemental

### Reports

# University Senate

Senate President  
Chris Sinclair

Vice President, President-elect and Immediate-past President  
Bill Harbaugh



## Shared Governance

*... This authority extends to all academic matters as commonly understood in higher education.*

*The Statutory Faculty may delegate its authority but must retain oversight responsibility.*

*The Statutory Faculty of the University of Oregon delegates its governance authority to the University Senate...*

University of Oregon Constitution





## Strategic Vision

***Robust, participatory governance*** whereby the faculty determine the academic priorities of the University, and where the faculty, staff, officers of administration and students drive the creation, revision and arbitration of academic policy at the University of Oregon.

***Cooperative engagement*** with the administration, the Board of Trustees, the Higher Education Coordinating Commission and the State of Oregon so that the running of the practical affairs of the University are aligned with its academic priorities as determined by the faculty and other constituencies.

***Faculty participation*** in the making and administration of all academic policy, and in the determination of strategic direction of academic units.



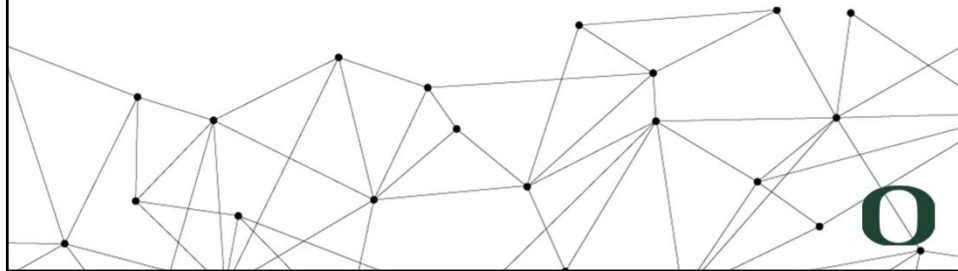
## 2017-18 Agenda

1. Multicultural requirement update
2. General education revamp
3. Establishment of Core Education Committee
4. Repeal and Replace Course Evaluations
5. Committee reconfiguring: UOCC, FRAC
6. Responsible Reporting extension to Title VII, etc.
7. Economic diversity of student population



## Multicultural Requirement

- Meeting the demands of the Black Student Union (a moving target).
- Introduce legislation with a new “Difference, Power, Agency in American contexts in active, student-centered classrooms.”



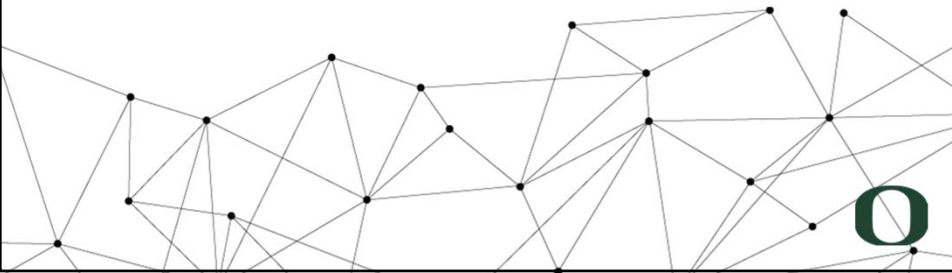
## Core Education

- Clearly outline goals and objectives of our general education requirement.
- Establish new Core Education Committee.
- Decrease number of offerings(?)
- Introduce uniquely Oregon first-year experience(?)



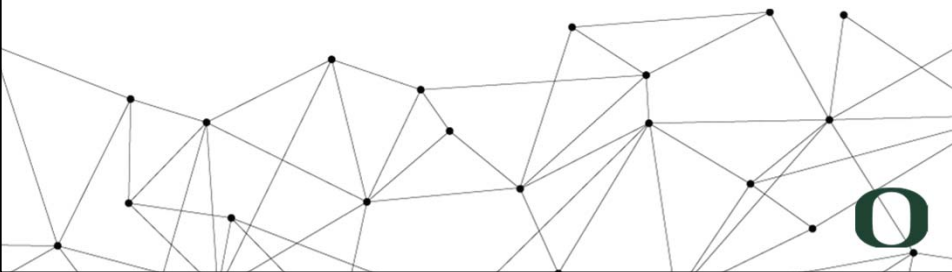
## Course Evaluations

- Current course evaluations are sexist and racist and don't accurately measure student success.
- Many units use this information for promotion, tenure and merit raise considerations.
- Current questions do not assess learning outcomes.
- New system coming.



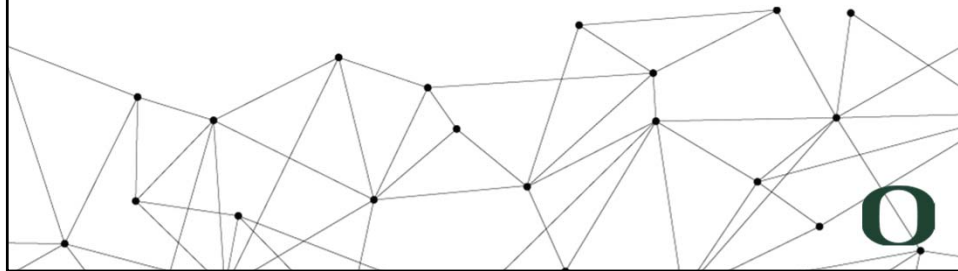
## Responsible Reporting

- The new “Responsible Supporting” legislation has been signed and begins implementation this Fall.
- We need to extend this legislation to cover Title VII violations as well as the currently covered Title IX violations.
- We also need to establish policy for instances where faculty/staff are the victims of such violations.



## Measures of *Excellence*

- Model policy creation.
- Participation in shared governance from all corners of campus.
- Leadership pipeline.
- Agenda, minutes, reports.
- Establishment of processes.

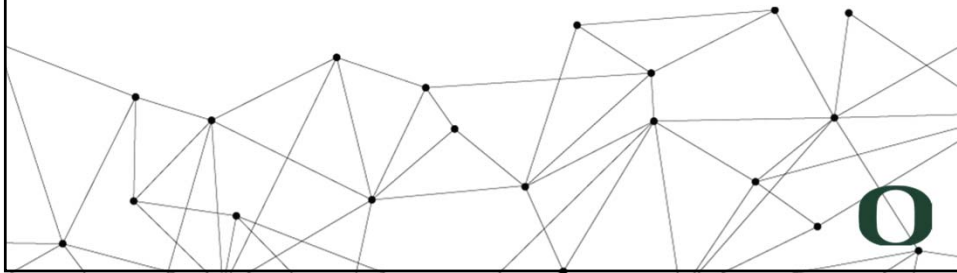
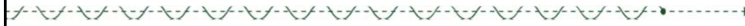


## Anticipated *Challenges*

- Administrative pushback
- Devaluation of service criteria for promotion and tenure.
- Elimination of service FTE from NTTF faculty.
- Effective communication with faculty.
- Inconsistent involvement in budget processes/decisions.



***Thank you***





## Agenda Item #2 - Supplemental

Seconded Motions and Resolutions from Committee

**MEMORANDUM**

TO: Board of Trustees

FROM: Angela Wilhelms, Secretary

RE: Consent Calendar

DATE: September 7, 2017

The Finance and Facilities Committee (FFC) of the Board approved four seconded motions during its meeting today. Those resolutions are articulated below; summaries and full resolutions are included in the September 8 meeting packet distributed via email and posted online.

Each of the resolutions was approved by voice vote without dissent. Thus, each is eligible for inclusion on a consent calendar for consideration by the full board en bloc. This memo serves as documentation of that calendar.

1. A seconded motion establishing final expenditure authorization limits (capital and operating) for fiscal year 2018
2. A seconded motion authorizing the university to issue up to \$60 million in general obligation revenue bonds
3. A seconded motion terminating a retirement plan no longer in use (the Supplemental Retirement Plan)
4. A seconded motion to name the newly-opened residence hall "Kalapuya Ilihi Hall"

Trustee	Yes	No
Ballmer		
Bragdon		
Chapa		
Colas		
Curry		
Ford		
Gonyea		
Kari		
Lillis		
Murray		
Paustian		
Ralph		
Wilcox		

Dated: \_\_\_\_\_

Recorded: \_\_\_\_\_

**BOARD OF TRUSTEES**6227 University of Oregon, Eugene OR 97403 | (541) 346-3166 | [trustees.uoregon.edu](mailto:trustees.uoregon.edu) | [trustees@uoregon.edu](mailto:trustees@uoregon.edu)*An equal-opportunity, affirmative-action institution committed to cultural diversity and compliance with the Americans with Disabilities Act*



## Agenda Item #4 – Supplemental

The Size (Population) of Campus – Considerations and Analysis





# **The Size of Campus – Considerations and Analyses**

**Friday, September 8<sup>th</sup>, 2017**

**Board of Trustees of the University of Oregon**

# Agenda

- Cost Drivers
- Tuition Revenue
- Potential Ways to Close the Gap
- Campus Growth

# Agenda

- Cost Drivers
- Tuition Revenue
- Potential Ways to Close the Gap
- Campus Growth

# Cost Drivers

## E&G Fund

Annual Typical Cost Drivers	FY17-FY18 Average Cost Increase
Faculty and Staff Salary and Wages	\$9.3M
GE Salary and Benefits	\$1.1M
Medical Costs	\$1.9M
Institutional Expenses	\$1.2M
Strategic Investments (includes \$1 million for new faculty)	\$2.0M
Investments in Tenure Track Faculty	\$1.5M
<b>Total Project Cost Increases</b>	<b>\$17.0M</b>

➤ However, these totals do not include rising PERS costs.

# Cost Drivers

## PERS Costs

Projected Increases	FY18	FY19	FY20	FY21	FY22
E & G Fund	\$7.1M	\$0	\$7.1M	\$0	\$7.1M
Other	\$3.4M	\$0	\$3.4M	\$0	\$3.4M
<b>Total</b>	<b>\$10.5M</b>	<b>\$0</b>	<b>\$10.5M</b>	<b>\$0</b>	<b>\$10.5M</b>

If PERS unfunded liabilities continue to grow, charges to the University of Oregon could grow significantly in future years.

# Cost Drivers

Annual Typical Cost Drivers	FY17-FY18 Average Cost Increase
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# Cost Drivers

## E&G Fund

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Medical Costs	\$1.9M
Institutional Expenses	\$1.2M
Strategic Investments (includes \$1 million for new faculty)	\$2.0M
Investments in Tenure Track Faculty	\$1.5M
Retirement Costs (\$7.1M every other year)	\$3.5M
<b>Total Project Cost Increases</b>	<b>\$20.5M</b>

# Agenda

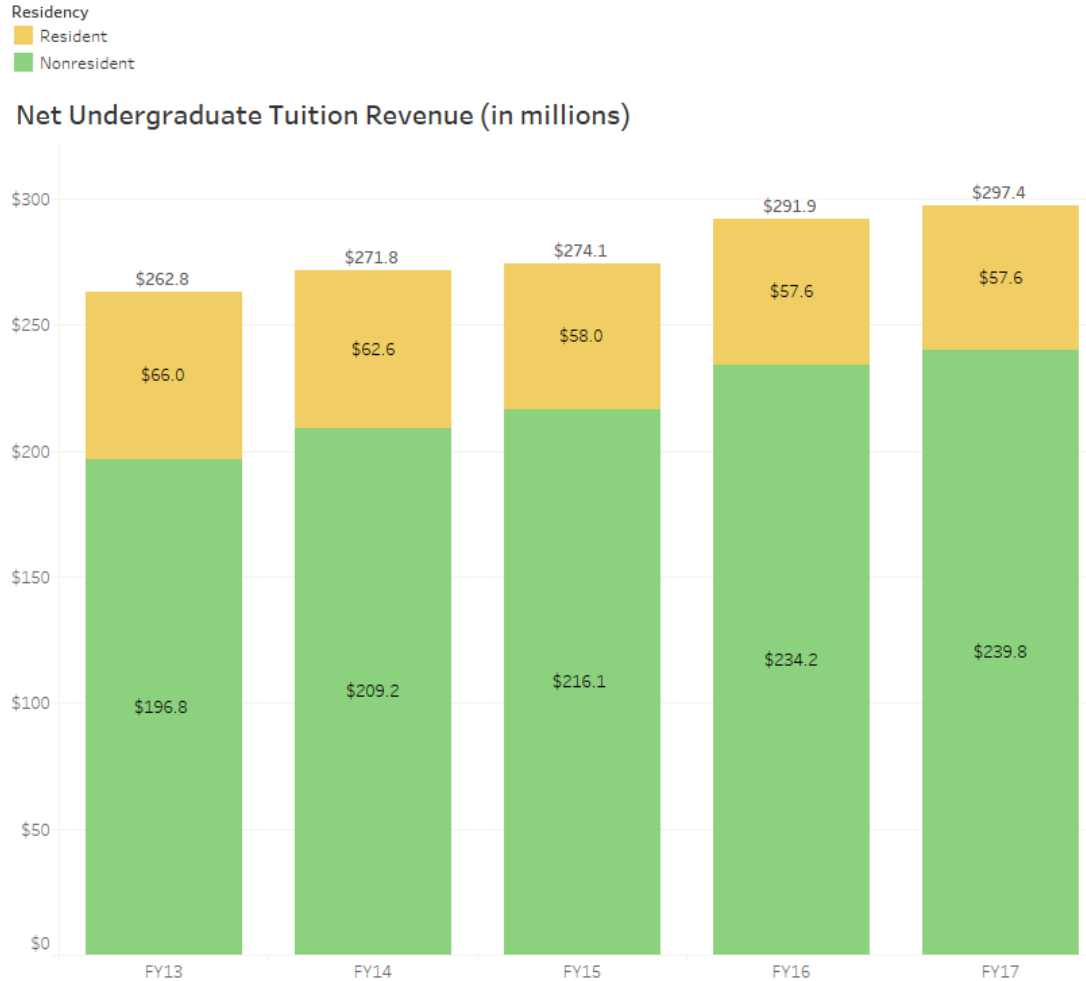
- Cost Drivers
- Tuition Revenue
- Potential Ways to Close the Gap
- Campus Growth



# Tuition Revenue

In FY17, 80.6% of net tuition came from non-resident students

Undergraduate Tuition Revenue and Enrollment

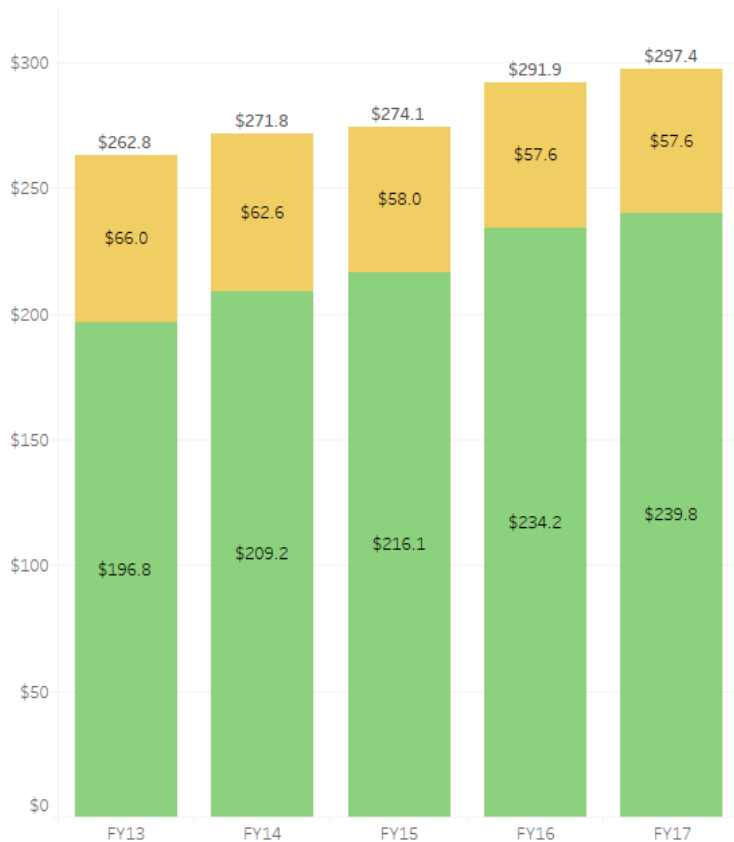


# Tuition Revenue

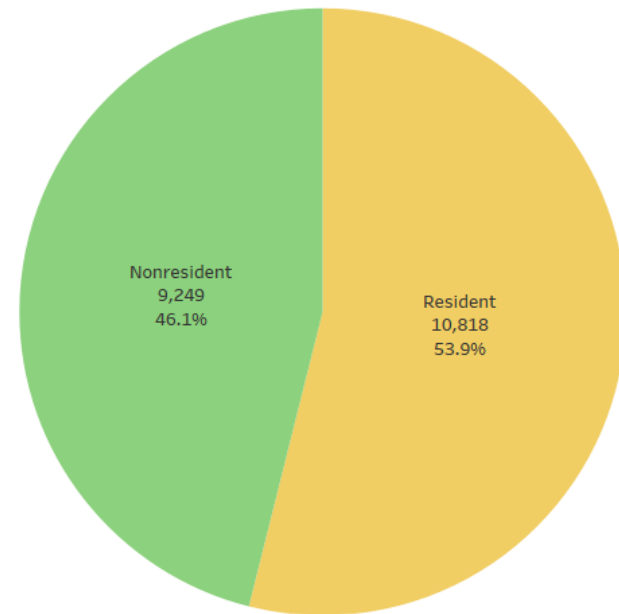
## Undergraduate Tuition Revenue and Enrollment

Residency  
Resident  
Nonresident

Net Undergraduate Tuition Revenue (in millions)



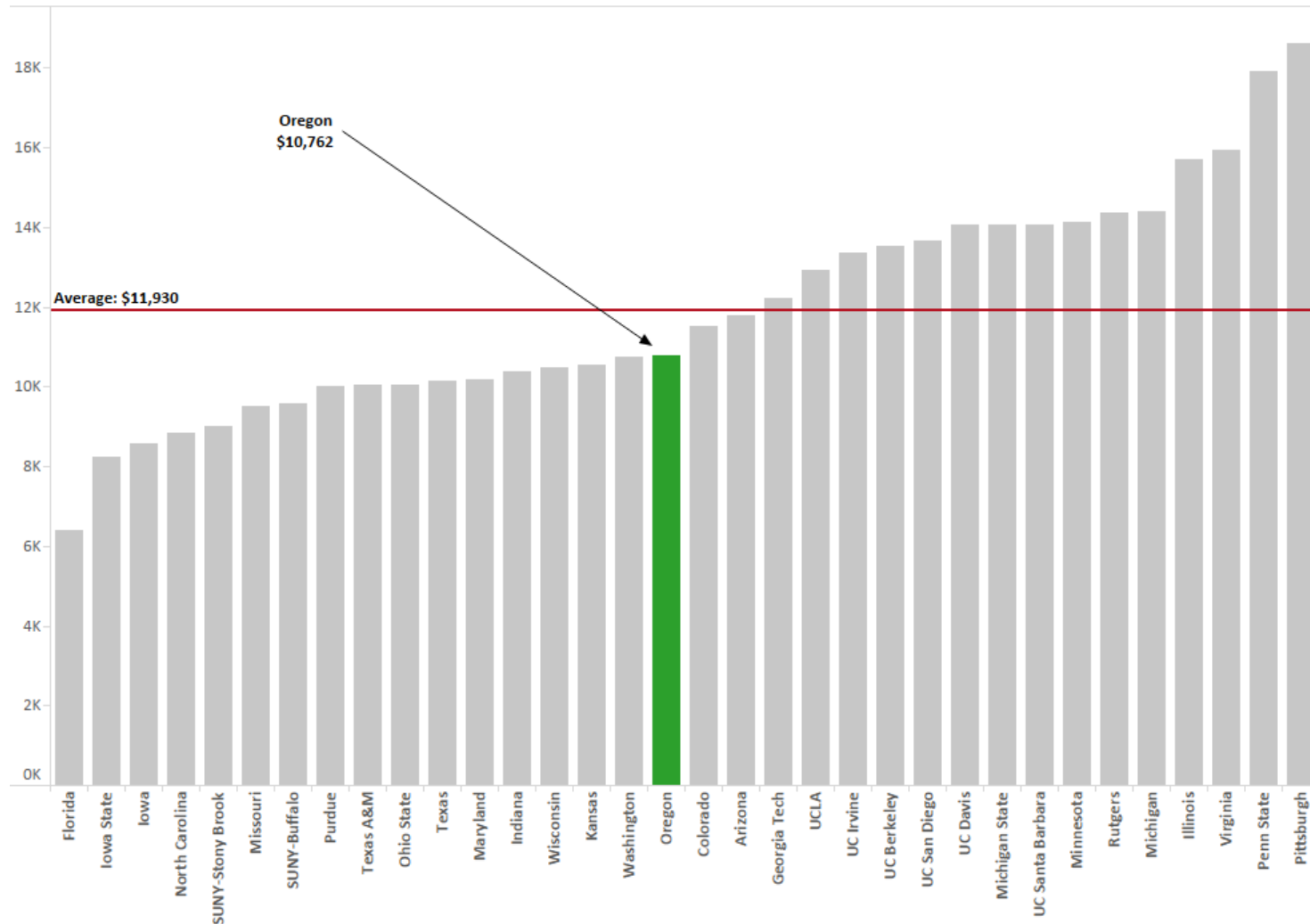
2016-17 Undergraduate Enrollment by Residency



# Tuition Revenue

AAU Publics

2016-17 Tuition and Fees Resident Full-time Undergraduate



Source: AAUDE Tuition and Fees.

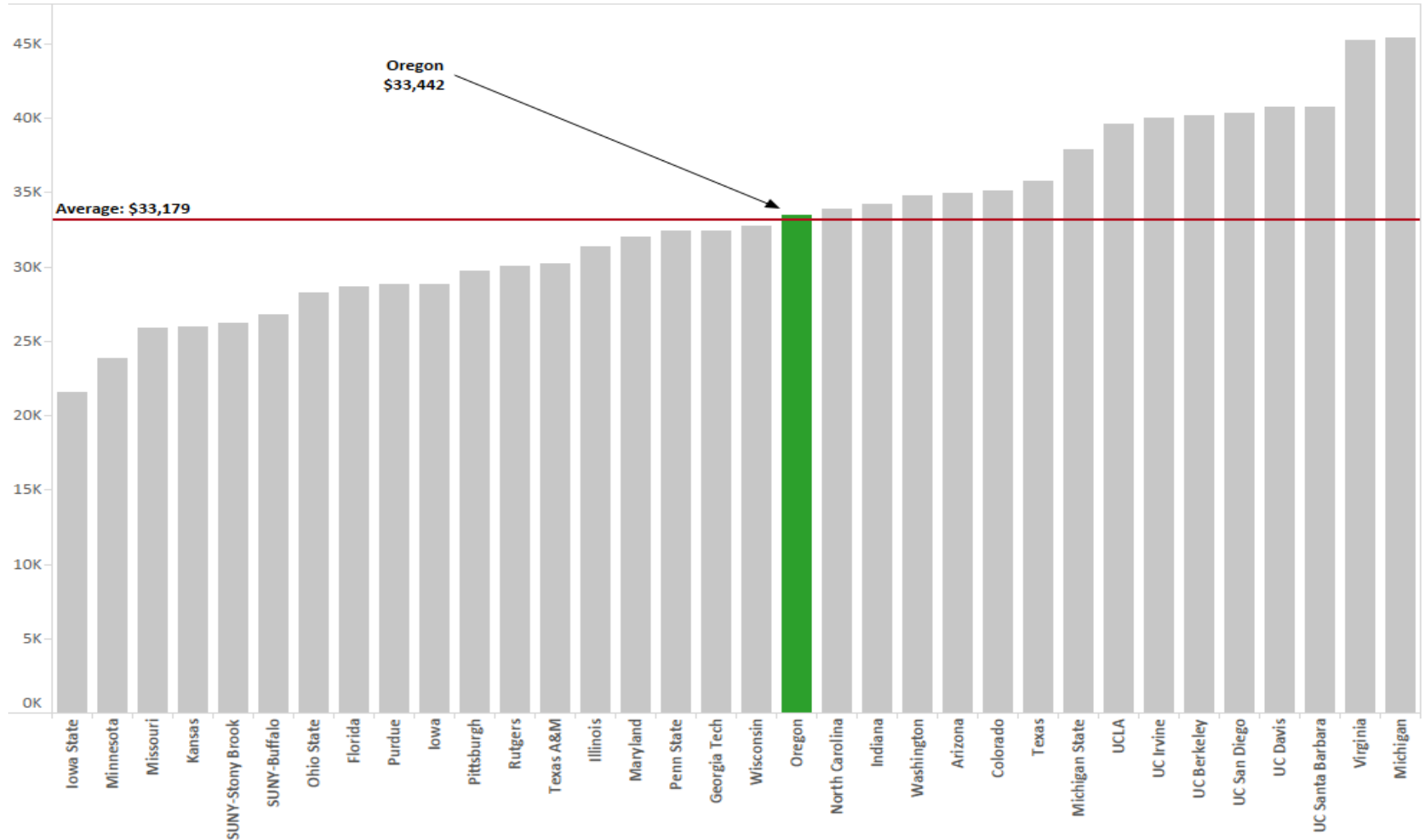


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# Tuition Revenue

AAU Publics

2016-17 Tuition and Fees Nonresident Full-time Undergraduate



Source: AAUDE Tuition and Fees.



UNIVERSITY OF OREGON

# Tuition Revenue

For each 1% increase in undergraduate tuition, overall revenue increases\*:

Resident	\$800k
Non-resident	\$2.5M

\*Totals account for fee remissions and summer revenue

# Tuition Revenue

- Annual E&G Cost drivers likely to be around \$20.5M

## Non-resident Tuition Rate Increase

Resident Tuition Rate Increase	Percent Increase (Per Student Annually)	2.0% (\$650)	2.5% (\$813)	3.0% (\$976)	4.0% (\$1,301)	5.0% (\$1,627)
	2.0% (\$190)	\$6.6M	\$7.8M	\$9.1M	\$11.6M	\$14.1M
	3.0% (\$285)	\$7.4M	\$8.6M	\$9.9M	\$12.4M	\$14.9M
	4.0% (\$380)	\$8.1M	\$9.4M	\$10.6M	\$13.2M	\$15.7M
	5.0% (\$475)	\$8.9M	\$10.1M	\$11.4M	\$13.9M	\$16.5M

# Agenda

- Cost Drivers
- Tuition Revenue
- Potential Ways to Close the Gap
- Campus Growth

# Potential Ways to Close the Gap

- New and Expanded Graduate Programs
  - Expanded graduate revenue from programs in Business, Journalism and Design launched
  - After accounting for necessary teaching and administrative costs, new net revenue from all programs likely to be around \$1 million



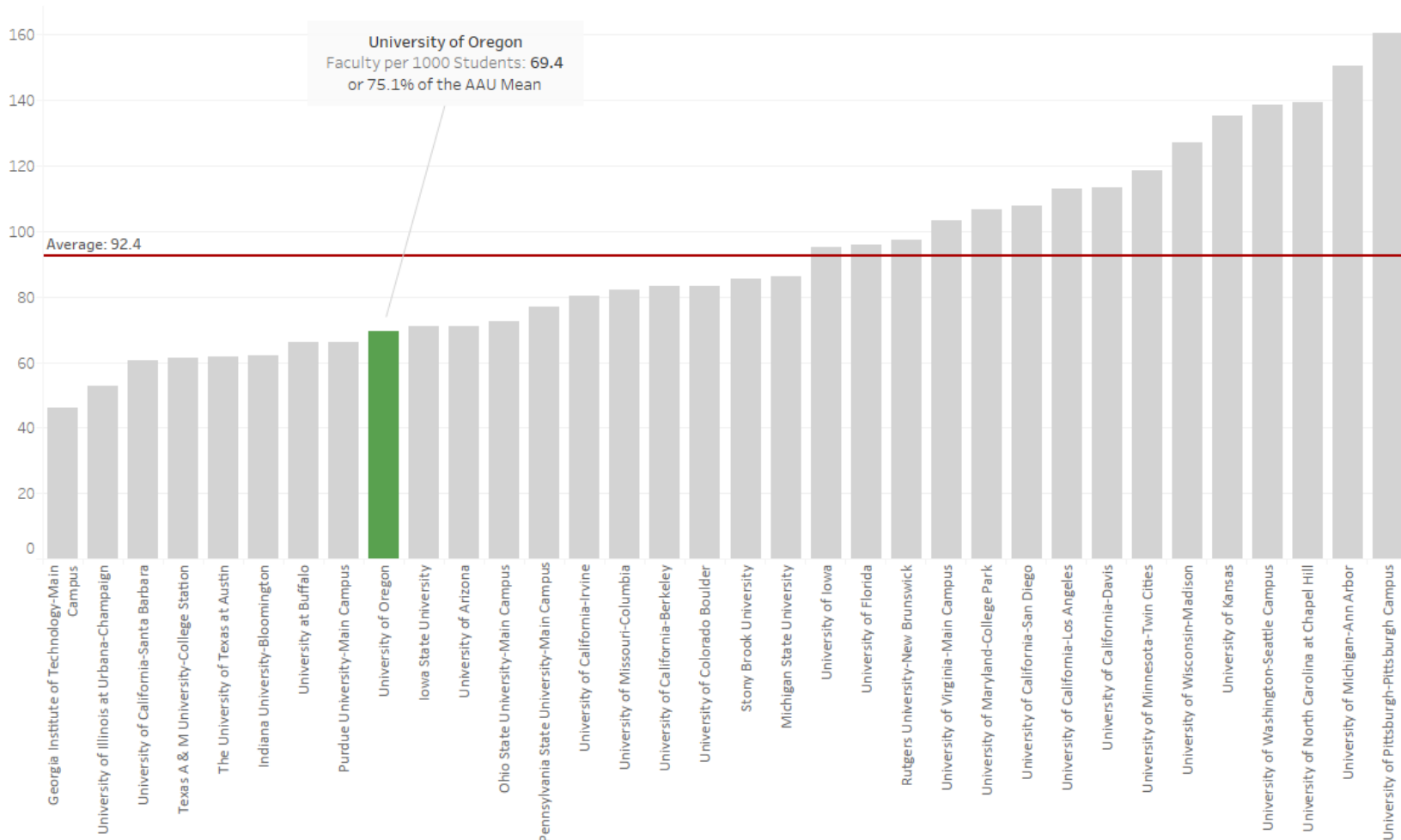
# Potential Ways to Close the Gap

- Further Cost Cutting / Efficiencies
  - Historical Cost Cutting already incorporated into budgets:
    - FY17 Administrative Cuts - \$3.0M
    - FY17 CAS Cost Cut - \$3.3M
    - FY18 Presidential Directed Cuts- \$4.5M
    - FY15 - FY18 Efficiencies Savings - \$8.8M one time; \$4.6 M - \$5.6M recurring
  - University will continue to actively look for ways to operate more efficiently

# Potential Ways to Close the Gap

## Comparison of Faculty per 1,000 Students

### Faculty per Students



Note: The ratio of faculty to students is based on faculty FTE to student FTE.

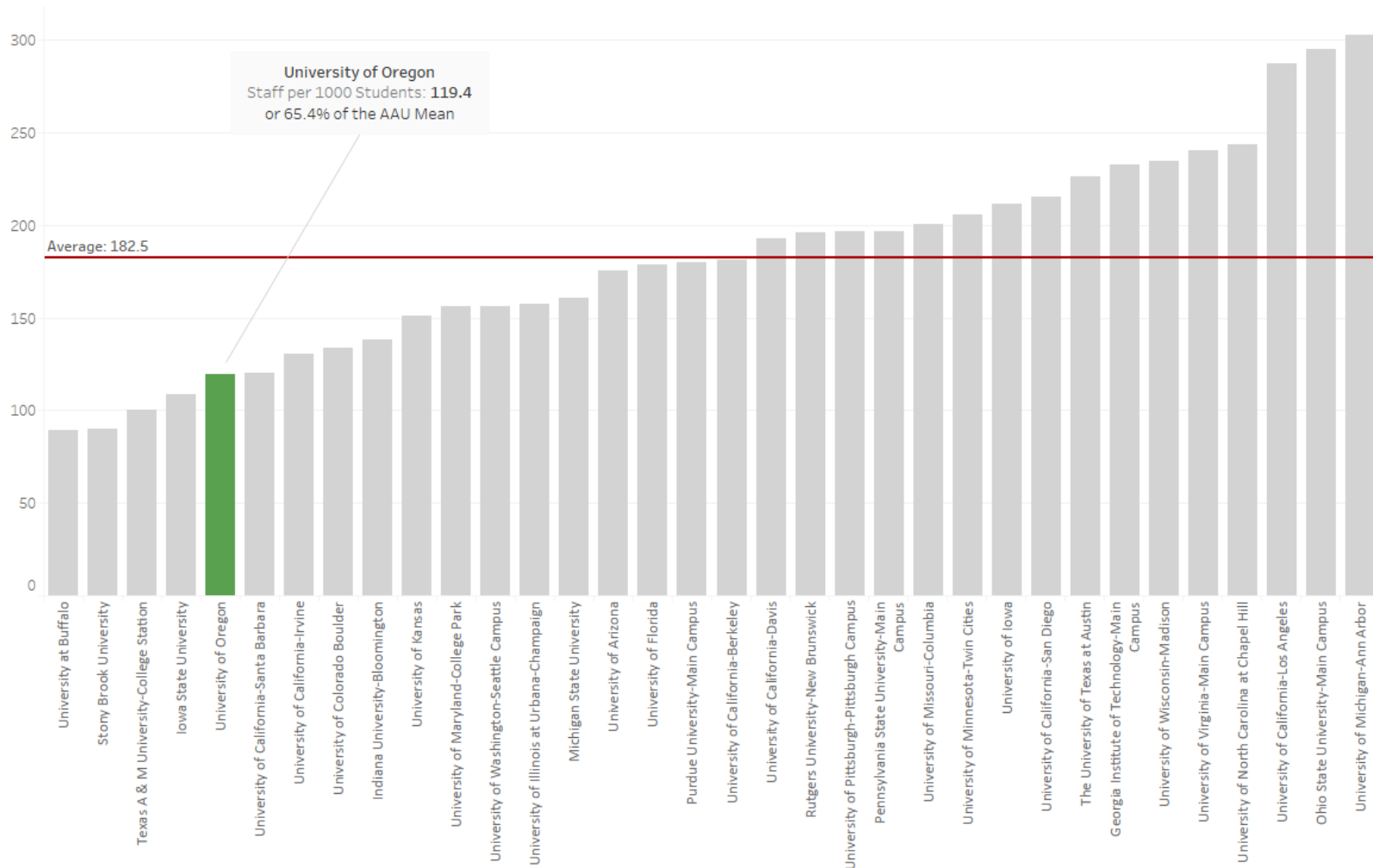
Source: IPEDS Human Resources and Enrollment (FY2016).



# Potential Ways to Close the Gap

## Comparison of Staffing per 1,000 Students

### Noninstructional (Nonmedical) Staff per Students



# Potential Ways to Close the Gap

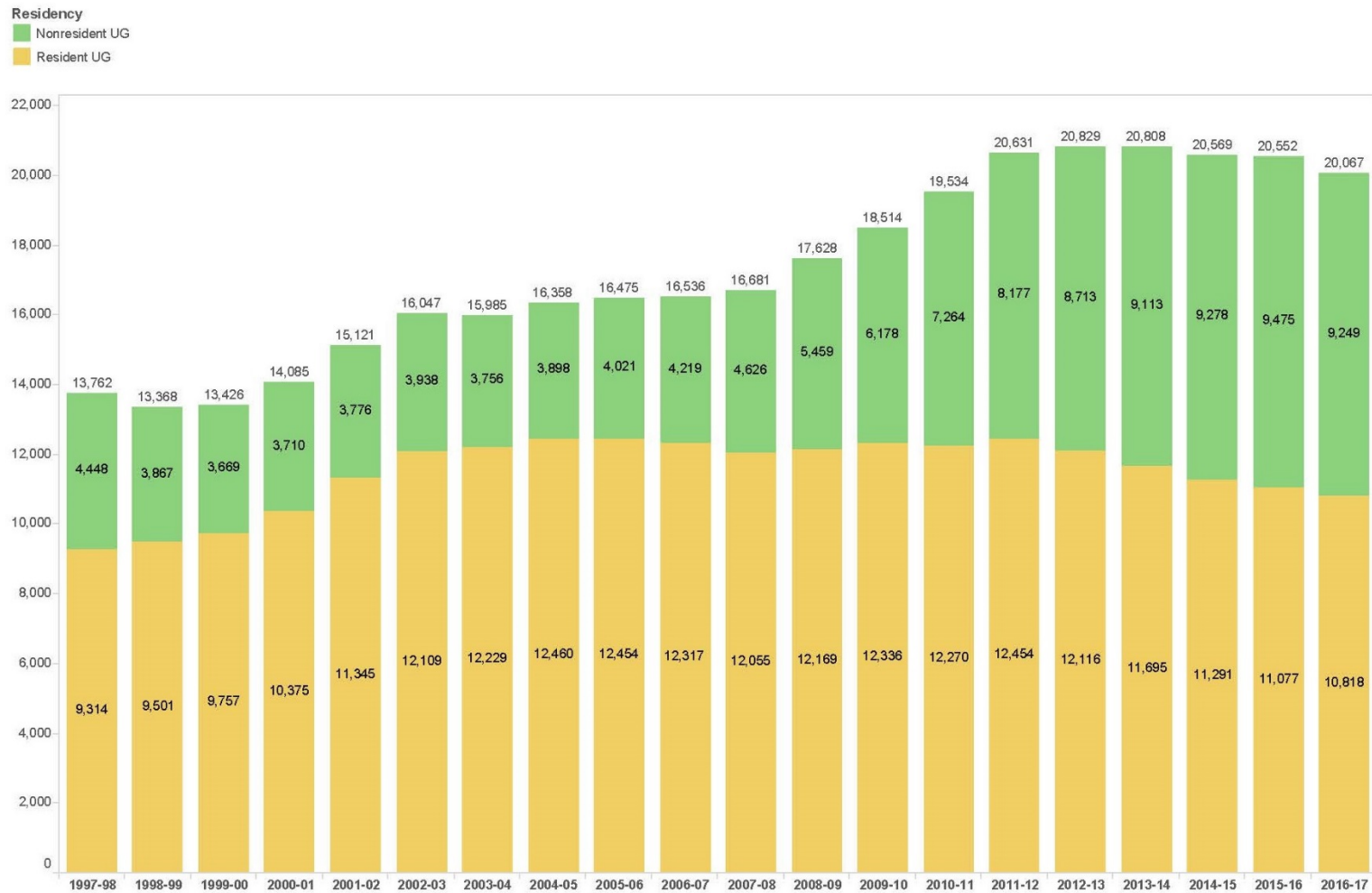
- Expand Online Education
  - College of Arts and Sciences (CAS) currently developing online options for current courses
  - TBD, but will require significant upfront investment
  - Coordination of online education assigned to Provost office and investment funds identified

# Agenda

- Cost Drivers
- Tuition Revenue
- Potential Ways to Close the Gap
- Campus Growth

# Campus Growth

UNIVERSITY OF OREGON  
Undergraduate Enrollment by Residency



# Campus Growth

## Financial Impact of Growth

	Resident	Non-Resident
Number of Additional New Students	100	100
Tuition Per Student	\$9,495	\$32,535
<b>Gross Tuition Revenue</b> (Net of fee remissions)	\$854,550	\$2,928,150

These totals represent gross revenue and do not account for costs.

# Campus Growth

- Assumed Growth – adding 3,000 students over a period of eight years
- Necessary investments
  - Recruiting
  - Classroom/Faculty Office Building
  - Additional new residence hall
  - Variable Costs



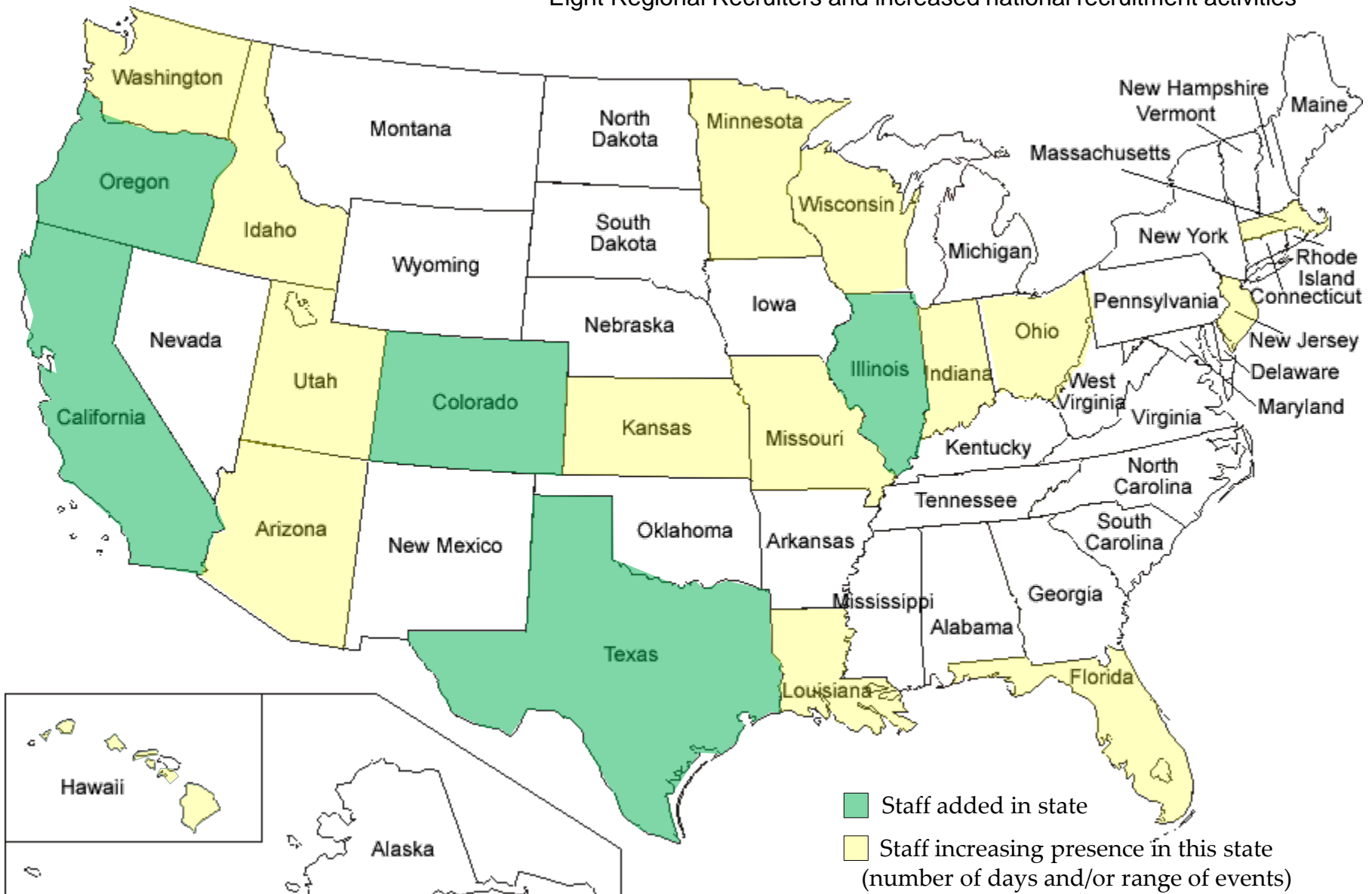
# Recruiter Locations: Fall 2017 Cycle

Three Regional Recruiters



# Recruiter Locations: Fall 2018 Cycle

Eight Regional Recruiters and increased national recruitment activities



# Campus Growth

- Assumed Growth– 3,000 students over a period of eight years
- Necessary investments
  - Recruiting
  - Classroom/Faculty Office Building
    - Minimum of 45,000-60,000 gross square foot building needed to support classroom and faculty offices for student growth
  - Additional new residence hall
  - Variable Costs – additional investments related to cost of education after the first 750 new additional students

# Campus Growth

## Financial Projections

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Entering Freshmen	4,150	4,450	4,450	4,500	4,675	4,775	4,850	4,900
Total Undergrads (Admitted)	19,892	20,370	20,782	21,174	21,619	22,001	22,348	22,658
Incremental Revenue from Enrollment Growth	\$7.9M	\$14.2M	\$12.2M	\$12.1M	\$14.2M	\$13.6M	\$13.4M	\$12.7M
Incremental Investment Recruiting	\$1.3M	\$245k	-	-	-	-	-	-
Incremental Investment New Classroom Building	-	\$3.1M	-	-	-	-	-	-
Incremental Investment Variable Costs	-	\$224k	\$5.4M	\$5.5M	\$6.5M	\$6.0M	\$5.9M	\$5.6M
<b>Net Revenue</b>	<b>\$6.6M</b>	<b>\$10.6M</b>	<b>\$6.8M</b>	<b>\$6.6M</b>	<b>\$7.7M</b>	<b>\$7.6M</b>	<b>\$7.5M</b>	<b>\$7.1M</b>



# Summary

Annual Cost Drivers

\$20.5 million

Net Revenue from Tuition Rate  
Increases

\$8.0 million - \$11.0 million



# Tuition Revenue

- Annual E&G Cost drivers likely to be around \$20.5M

## Non-resident Tuition Rate Increase

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# Summary

Annual Cost Drivers	\$20.5 million
Net Revenue from Tuition Rate Increases	\$8.0 million - \$11.0 million
Net Revenue from Enrollment Growth (out years)	\$7.0 million - \$7.5 million
State Appropriation (estimate)	\$2.0 million
<hr/>	
Remainder (covered by further cost cutting, new grad programs, fundraising, additional growth, etc.)	\$0 - \$3.5 million

# Risks

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- Significant cut in state appropriation
- Drop in non-resident student demand
- Further deterioration of PERS
- Deferred maintenance in critical buildings