

February 25, 2019

TO: The Board of Trustees of the University of Oregon

FR: Angela Wilhelms, Secretary

RE: Notice of Finance and Facilities Committee

The Finance and Facilities Committee of the Board of Trustees of the University of Oregon will hold a meeting on the date and at the location set forth below. Subjects of the meeting will include: quarterly finance and treasury reports, a resolution regarding the naming of a terrace in Tykeson Hall, and a capital construction project to renovate the Zebrafish International Resource Center. The meeting will also include the quarterly audit report and an update on audit report compliance efforts, which would normally be in the Executive and Audit Committee.

The meeting will occur as follows:

**Monday, March 4, 2019 at 1:30 p.m.**

Erb Memorial Union, Redwood Auditorium

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

The Erb Memorial Union is located at 1395 University Avenue, Eugene, Oregon. If special accommodations are required, please contact Jennifer LaBelle (541) 346-3166 at least 72 hours in advance.

#### **BOARD OF TRUSTEES**

6227 University of Oregon, Eugene OR 97403-1266 | (541) 346-3166 | [trustees.uoregon.edu](https://trustees.uoregon.edu) | [trustees@uoregon.edu](mailto:trustees@uoregon.edu)

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**Board of Trustees | Finance and Facilities Committee  
Public Meeting | March 4, 2019 @ 1:30 p.m.  
Erb Memorial Union | Redwood Auditorium**

**Convene**

- Call to order, roll call
- Approval of December 2018 FFC minutes (Action)

- 1. Quarterly Financial Reports:** Jamie Moffitt, Vice President for Finance and Administration and CFO
- 2. Tykeson Hall Terrace Naming Proposal – Slape Terrace (Action):** Bruce Blonigen, Interim Tykeson Dean of the College of Arts and Sciences
- 3. Quarterly Audit Report and Update on Research Audit Management Plan Update:** Trisha Burnett, Internal Auditor; Cass Moseley, Sr. Assoc. Vice President and Chief of Staff, Research and Innovation
- 4. Capital Construction Project – ZIRC (Action):** Cass Moseley, Chief of Staff and Sr. Associate Vice President for Research and Innovation

**Meeting Adjourns**

## **Agenda Item #1**

### **Quarterly Finance and Treasury Reports**



# Finance Summary: Education and General Qtr2 FY2019

## CFO's Key Takeaways

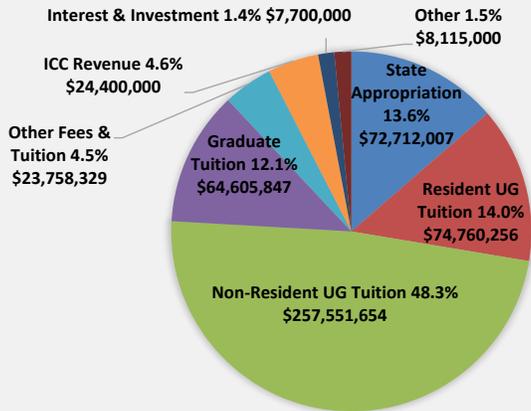
- Updated Q2 projection shows a current estimated shortfall of \$7.9M. This is up from the Q1 forecasted shortfall of \$5.5M.
- Q2 Tuition and Fees forecast is 99.6% of the Q1 Projection. See below for other small adjustments made to the E&G fund.
- Projected FY19 end-of-year E&G fund balance is dropping from \$71.7M (Q1 projection) to \$69.3M (Q2 projection).

## Education and General Fund Qtr2 - Projection Status

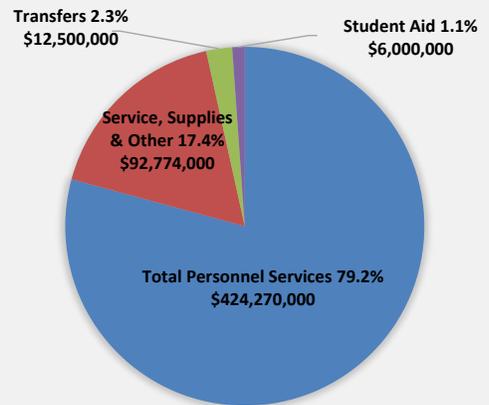
Category	FY19 Q1	FY19 Q2	FY19 Q1	FY19 Q2	Status	Revised Q2	Notes
	Projection	Revised Projection	Proj vs FY18 Act	Actuals vs FY18 Q2		Proj vs FY18	
State Appropriation	\$71,909,100	\$72,712,007	1.3%	2.7%	Slightly Up	2.4%	• Up \$800K due to higher allocation for ETIC.
Tuition and Fees	\$422,176,086	\$420,676,086	1.7%	0.8%	Slightly Down	1.3%	• Tuition revenue steady. Slight decline in fee revenue projections.
Personnel Services	\$422,520,000	\$424,270,000	2.3%	2.7%	Slightly Up	2.7%	• \$1.7M increase over Q1 due to OPE projection adjustments and activity-to-date.
Supplies & Services	\$110,736,000	\$111,736,000	7.0%	9.6%	Slightly Up	7.9%	• Adjustment of \$1M based upon activity to date.
Student Aid	\$5,500,000	\$6,000,000	1.3%	67.8%	Slightly Up	10.5%	• Increase of \$500K based upon activity-to-date and dept estimates.
Transfers	\$14,000,000	\$12,500,000	16.9%	96.3%	Slightly Down	4.4%	• Adjustment of \$1.5M based on sale of building & dept projections.

## Education & General Funds - Total Dollars

### FY19 E&G Q2 REVENUE PROJECTIONS

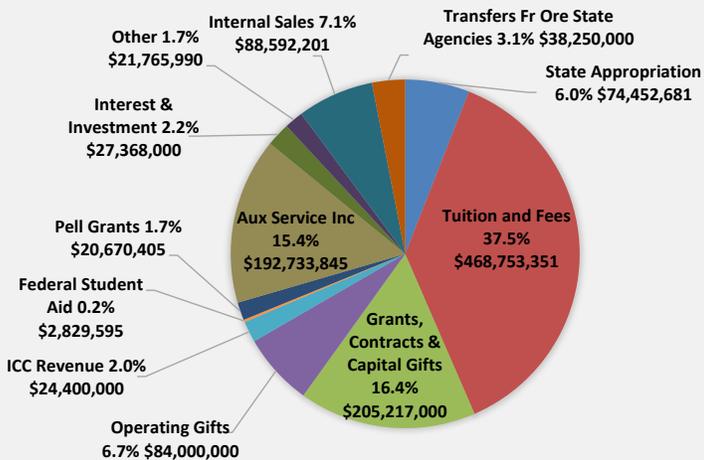


### FY19 E&G Q2 EXPENSE PROJECTIONS

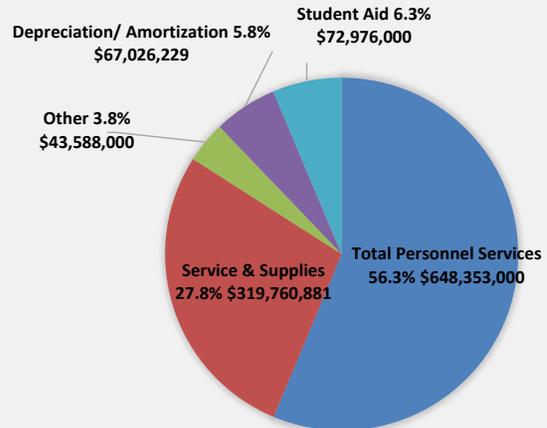


## All Funds - Total Dollars

### FY19 Q2 REVENUE PROJECTIONS

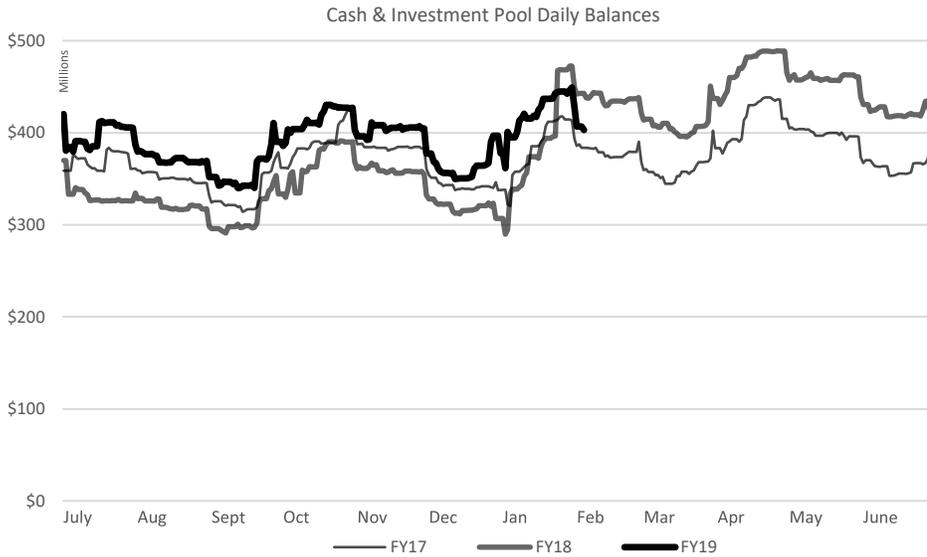


### FY19 Q2 EXPENSE PROJECTIONS

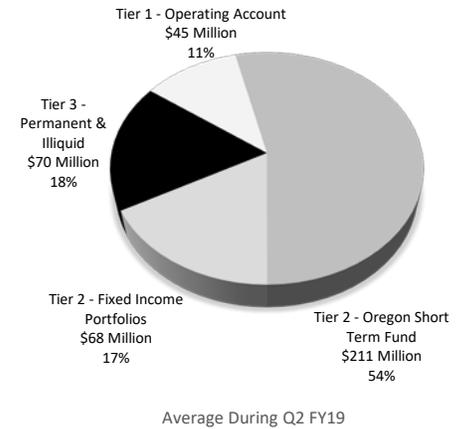


Student Aid Expense does not include \$45.6M of fee remissions awarded to students. Remissions are booked as negative revenue.  
Capital Expenditures not included

**Cash & Investment Pool**

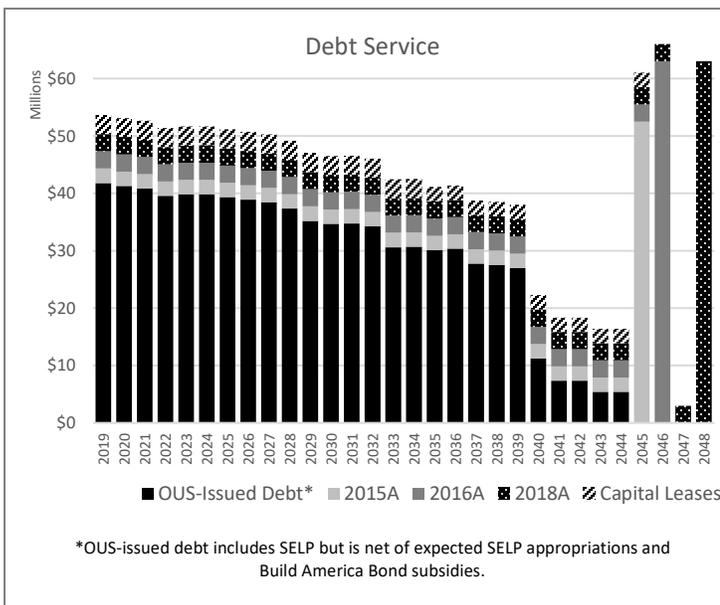


Cash & Investment Pool Allocation



- The cash and investment pool averaged \$394 million during Q4 FY18. Increased balances from the prior fiscal year are primarily attributable to plant funds.
- Rising short-term interest rates are providing new opportunities for investing operating funds which we are evaluating.
- During October 2018 we increased our allocation to T3 by \$5 million.
- Estimated average book yield for the Cash & Investment Pool was 2.37% for Q2 FY19 and 2.14% for FY19 year-to-date.

**Debt Activities**



**Significant Projects Funded Using Debt & Capital Leases**

**UO 2018A**

- Bean Hall
- Oregon Hall
- Health Center

**UO 2016A**

- Kalapuya Ilihi Hall
- Pacific Hall
- Klamath Hall, 3rd Floor

**UO 2015A**

- Erb Memorial Union

**Capital Leases**

- White Stag (Portland)
- 1600 Millrace

**OUS-Issued Debt**

- Autzen Stadium
- Central Power Station
- Erb Memorial Union
- Family Housing Projects
- Ford Alumni Center
- Global Scholars Hall
- Knight Law Center
- Living Learning Center
- Parking Projects
- Student Rec Center
- Matthew Knight Arena
- Williams Bakery Land

\*OUS-issued debt includes SELP but is net of expected SELP appropriations and Build America Bond subsidies.

- The current principal balance of outstanding debt, including capital leases, is approximately \$718 million.
- The next revenue bond sale is expected to occur during fiscal year 2020.
- Bond proceeds are loaned internally for capital projects and associated loans repay their borrowings prior to the bullet payments to ensure the Internal Bank will have sufficient cash for the bullet payments due in 2045, 2046, and 2048.

## T3 Portfolio

### STRATEGY SUMMARY

The University of Oregon Board of Trustees has fiduciary responsibility for university fund management and has delegated oversight to the Treasurer's office. Funds are currently divided into three separate tranches with distinct purposes for each. The portion of funds deemed unnecessary for current needs and so available for riskier, long-term investment to earn a higher rate of return is designated Tier-3 (T3). The long-term objective is to try to generate at least a 4% real net return over rolling five-year periods using a prudent level of risk. It is understood that these funds will be subject to short-term market volatility and risk of loss in pursuit of long-term appreciation. The UO currently employs the UO Foundation, who is not charging a fee for its services, for management of its T3 Funds.

### FUND RETURN SUMMARY

PORTFOLIO VALUE	\$67.0 MM
INVESTED CAPITAL	\$66.4 MM
CASH (FOR DIST. AND CALLS)	\$617 K
DISTRIBUTIONS FYTD	\$319 K

### RELATIVE PERFORMANCE

	QTR	FYTD	1 YR*	3 YR	5 YR	10 YR	STD. DEV.	SHARPE
T3 INVESTED CAPITAL	2.9%	2.9%	9.7%	N/A	N/A	N/A	7.2%	1.1
60/40 STOCK/BOND BENCHMARK	2.6%	2.6%	5.4%	8.5%	6.2%	6.7%	5.1%	0.7
CPI-U + D% + 1% BENCHMARK	1.4%	1.4%	7.4%	N/A	N/A	N/A	N/A	N/A

### PORTFOLIO COMMENTARY

As a reminder we are reporting with a one quarter lag so performance and holdings information provided is as of September 30th. It was another strong quarter for domestic equities in general and technology specifically. It was also another challenging quarter for emerging market equity and debt holdings.

Given market declines in the current quarter I want to update you on recent portfolio performance and allocations. While we received an additional \$5 million in early October we decided to keep those funds in cash as we grew increasingly cautious about the market behavior. As a result funds are allocated 67% equity and 33% fixed income/cash versus the stated benchmark of 70% equity/30% fixed income as of November 30.

*\*For clarification, T3 performance is calculated using invested capital amounts, weighted to reflect the phasing in of equity investments during 2017; 1/3 equity invested April 1st, 2/3 invested July 1st, and 100% as of October 1st. Fixed Income was fully invested from inception.*

## T3 Portfolio



## ESTIMATED PORTFOLIO DETAILS

## POLICY WEIGHTS

	TARGET	RANGE	ACTUAL
EQUITY	70%	50-75%	72%
FIXED INCOME	30%	25-50%	28%

## SECTOR — NET EXPOSURE

CONSUMER	12%
POWER	4%
FINANCIALS	8%
HEALTHCARE	5%
INDUSTRIALS	9%
INFOTECH & TELECOM	26%
REAL ESTATE	1%
SOVEREIGN DEBT	1%
OTHER	5%

## COMMITMENT SCHEDULE

COMMITMENT	CAPITAL CALLED	DISTRIBUTIONS	MARKET VALUE
\$4,000,000	\$1,928,422	\$0	\$1,813,954

## SECURITY TYPE — T3 PORTFOLIO

	LONG	SHORT	GROSS	NET
<b>GLOBAL EQUITY</b>	<b>60%</b>	<b>-6%</b>	<b>66%</b>	<b>54%</b>
<i>LONG ONLY</i>	41%	0%	41%	41%
<i>LONG SHORT</i>	19%	-6%	25%	13%
<b>DEBT</b>	<b>20%</b>	<b>-3%</b>	<b>23%</b>	<b>17%</b>
<i>SOVEREIGN</i>	1%	0%	1%	1%
<i>CORPORATE</i>	19%	-3%	22%	16%
<b>TOTAL T3 PORTFOLIO</b>	<b>80%</b>	<b>-9%</b>	<b>89%</b>	<b>71%</b>

## GEOGRAPHY — NET EXPOSURE

UNITED STATES	37%
DEVELOPED, NON-US	26%
EMERGING MARKETS	6%
FRONTIER MARKETS	2%

## MARKET CAP — NET EXPOSURE\*

LARGE	24%
MID	17%
SMALL	13%

\*Excludes debt

FY17 Actuals Quarter 4 Report-Final

All Funds except Agency and Clearing

	Designated Ops									Total from Operations	Year-End Reporting Adj.	Total
	Education and			and Service			Restricted Gift					
	General	Center	Auxiliaries	Grant Funds	Funds	Other Funds	Plant Funds	Internal Bank				
State Appropriation	\$ 66,801,344	\$ 1,216,024	\$ 468,650	\$ 46,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,532,368		
Tuition and Fees	\$ 401,585,095	\$ 4,677,944	\$ 40,127,316	\$ -	\$ (71,837)	\$ -	\$ -	\$ 3,175,333	\$ -	\$ 449,493,851		
Gifts Grants & Contracts	\$ 310,800	\$ 5,639,671	\$ 47,426	\$ 109,491,341	\$ 67,100,717	\$ -	\$ 60,580,398	\$ -	\$ -	\$ 243,170,353		
ICC Revenue	\$ 21,895,847	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,895,847		
Federal Student Aid	\$ -	\$ -	\$ -	\$ 23,414,554	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,414,554		
Interest and Investment	\$ 5,184,658	\$ 12,262,087	\$ 509,687	\$ 11,458	\$ 247,643	\$ 495,095	\$ 468,984	\$ 1,019,042	\$ -	\$ 20,198,653		
Internal Sales	\$ 1,568,535	\$ 34,848,326	\$ 24,439,689	\$ -	\$ 10,743	\$ -	\$ -	\$ 29,493,260	\$ -	\$ 90,360,553		
Sales & Services	\$ 4,295,686	\$ 11,064,149	\$ 154,782,894	\$ 425,233	\$ 8,546	\$ -	\$ -	\$ -	\$ -	\$ 170,576,509		
Other Revenues	\$ 10,386,884	\$ 2,203,122	\$ 4,774,243	\$ -	\$ (1,125)	\$ -	\$ 165,446	\$ -	\$ -	\$ 17,528,569		
Transfers From Ore State Agencies	\$ 11,111	\$ -	\$ -	\$ 8,258,760	\$ -	\$ -	\$ 11,401,964	\$ -	\$ -	\$ 19,671,835		
<b>Total Revenue</b>	<b>\$ 512,039,960</b>	<b>\$ 71,911,322</b>	<b>\$ 225,149,904</b>	<b>\$ 141,647,696</b>	<b>\$ 67,294,687</b>	<b>\$ 495,095</b>	<b>\$ 72,616,791</b>	<b>\$ 33,687,635</b>	<b>\$ -</b>	<b>\$ 1,124,843,090</b>		
Salaries and Wages	\$ 256,363,605	\$ 19,440,085	\$ 57,691,645	\$ 40,515,758	\$ 16,408,594	\$ -	\$ -	\$ 222,243	\$ -	\$ 390,641,929		
OPE Health Benefits	\$ 53,067,352	\$ 4,470,842	\$ 12,561,298	\$ 8,170,947	\$ 1,628,962	\$ -	\$ -	\$ 31,040	\$ -	\$ 79,930,441		
OPE Retirement	\$ 43,685,075	\$ 3,491,533	\$ 7,743,892	\$ 6,083,162	\$ 2,085,679	\$ -	\$ -	\$ 34,793	\$ -	\$ 63,124,133		
OPE Other	\$ 20,759,317	\$ 1,647,245	\$ 5,108,466	\$ 3,045,952	\$ 14,186,876	\$ -	\$ -	\$ 20,635	\$ -	\$ 44,768,491		
OPE GTF Remissions	\$ 22,076,879	\$ 204,587	\$ 124,563	\$ 1,640,068	\$ 189,944	\$ -	\$ -	\$ -	\$ -	\$ 24,236,040		
<b>Total Personnel Services</b>	<b>\$ 395,952,228</b>	<b>\$ 29,254,291</b>	<b>\$ 83,229,863</b>	<b>\$ 59,455,887</b>	<b>\$ 34,500,054</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 308,711</b>	<b>\$ -</b>	<b>\$ 602,701,034</b>		
Service & Supplies	\$ 101,773,239	\$ 19,898,041	\$ 100,749,317	\$ 23,613,272	\$ 14,100,962	\$ (11,317)	\$ 4,446,629	\$ 24,032,991	\$ -	\$ 288,603,134		
Merchandise-Resale/Redistribution	\$ 1,606	\$ 13,469,673	\$ 11,607,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,079,070		
Internal Sales Reimbursements	\$ (22,767,308)	\$ (205,865)	\$ (1,277,203)	\$ (24,780)	\$ (45,334)	\$ -	\$ -	\$ -	\$ -	\$ (24,320,490)		
Indirect Costs	\$ 320,332	\$ 2,624,794	\$ 6,477,432	\$ 21,895,847	\$ -	\$ 271,268	\$ -	\$ -	\$ -	\$ 31,589,673		
Depreciation/Amortization Expense	\$ -	\$ 4,357,290	\$ 29,191,247	\$ -	\$ -	\$ -	\$ 28,606,164	\$ -	\$ -	\$ 62,154,700		
Student Aid	\$ 4,444,108	\$ 919,993	\$ 4,872,618	\$ 35,149,599	\$ 22,730,198	\$ 170,510	\$ -	\$ -	\$ -	\$ 68,287,026		
<b>Total General Expense</b>	<b>\$ 83,771,976</b>	<b>\$ 41,063,926</b>	<b>\$ 151,621,202</b>	<b>\$ 80,633,939</b>	<b>\$ 36,785,826</b>	<b>\$ 430,462</b>	<b>\$ 33,052,793</b>	<b>\$ 24,032,991</b>	<b>\$ -</b>	<b>\$ 451,393,114</b>		
<b>Net Transfers Out/(In)</b>	<b>\$ 20,542,861</b>	<b>\$ 6,584,354</b>	<b>\$ 2,797,420</b>	<b>\$ 456,610</b>	<b>\$ (283,058)</b>	<b>\$ -</b>	<b>\$ (30,098,188)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		
<b>Total Expense</b>	<b>\$ 500,267,065</b>	<b>\$ 76,902,571</b>	<b>\$ 237,648,485</b>	<b>\$ 140,546,436</b>	<b>\$ 71,002,823</b>	<b>\$ 430,462</b>	<b>\$ 2,954,605</b>	<b>\$ 24,341,702</b>	<b>\$ -</b>	<b>\$ 1,054,094,149</b>		
<b>Net before CapEx</b>	<b>\$ 11,772,896</b>	<b>\$ (4,991,249)</b>	<b>\$ (12,498,581)</b>	<b>\$ 1,101,260</b>	<b>\$ (3,708,136)</b>	<b>\$ 64,633</b>	<b>\$ 69,662,186</b>	<b>\$ 9,345,932</b>	<b>\$ -</b>	<b>\$ 70,748,942</b>		
<b>Beginning Fund Balance</b>	<b>\$ 67,430,541</b>	<b>\$ 62,254,237</b>	<b>\$ 318,419,472</b>	<b>\$ 2,554,335</b>	<b>\$ 15,933,568</b>	<b>\$ 26,103,956</b>	<b>\$ 508,366,958</b>	<b>\$ (21,830,738)</b>	<b>\$ -</b>	<b>\$ 979,232,330</b>		
<b>Capital Expenditures</b>	<b>\$ (7,437,754)</b>	<b>\$ (206,006)</b>	<b>\$ (17,045)</b>	<b>\$ (1,482,002)</b>	<b>\$ (1,219,814)</b>	<b>\$ -</b>	<b>\$ (121,418,772)</b>	<b>\$ (741)</b>	<b>\$ -</b>	<b>\$ (131,782,133)</b>		
<b>Net (from above)</b>	<b>\$ 11,772,896</b>	<b>\$ (4,991,249)</b>	<b>\$ (12,498,581)</b>	<b>\$ 1,101,260</b>	<b>\$ (3,708,136)</b>	<b>\$ 64,633</b>	<b>\$ 69,662,186</b>	<b>\$ 9,345,932</b>	<b>\$ -</b>	<b>\$ 70,748,942</b>		
<b>Fund Additions/Deductions*</b>	<b>\$ (50,000)</b>	<b>\$ (1,058,372)</b>	<b>\$ 37,650,081</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 68,295,341</b>	<b>\$ 28,704,333</b>	<b>\$ -</b>	<b>\$ 133,541,382</b>	<b>\$ (169,361,869)</b>	
<b>Ending Fund Balance</b>	<b>\$ 71,715,684</b>	<b>\$ 55,998,611</b>	<b>\$ 343,553,927</b>	<b>\$ 2,173,592</b>	<b>\$ 11,005,619</b>	<b>\$ 26,168,589</b>	<b>\$ 524,905,713</b>	<b>\$ 16,218,786</b>	<b>\$ -</b>	<b>\$ 1,051,740,520</b>	<b>\$ (169,361,869)</b>	<b>\$ 882,378,651</b>
<b>Year-End Accounting Entries</b>	<b>\$ 1,818,584</b>	<b>\$ (162,639)</b>	<b>\$ (3,437,290)</b>	<b>\$ (2,597,056)</b>	<b>\$ 543,495</b>	<b>\$ 1</b>	<b>\$ 500,015</b>	<b>\$ (6,737,790)</b>	<b>\$ -</b>	<b>\$ (10,072,680)</b>	<b>\$ -</b>	<b>\$ (10,072,680)</b>
<b>Net Capital Assets</b>	<b>\$ -</b>	<b>\$ 28,845,778</b>	<b>\$ 310,478,625</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 456,410,998</b>	<b>\$ (7,765,650)</b>	<b>\$ -</b>	<b>\$ 787,969,751</b>	<b>\$ -</b>	<b>\$ 787,969,751</b>
<b>Other Restricted Net Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (423,464)</b>	<b>\$ 11,549,114</b>	<b>\$ 26,168,590</b>	<b>\$ 43,185,388</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 80,479,629</b>	<b>\$ (4,283,374)</b>	<b>\$ 76,196,254</b>
<b>Unrestricted Net Assets</b>	<b>\$ 73,534,267</b>	<b>\$ 26,990,194</b>	<b>\$ 29,638,011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,809,341</b>	<b>\$ 17,246,646</b>	<b>\$ -</b>	<b>\$ 173,218,460</b>	<b>\$ (165,078,495)</b>	<b>\$ 8,139,965</b>
<b>Total Net Assets</b>	<b>\$ 73,534,267</b>	<b>\$ 55,835,972</b>	<b>\$ 340,116,636</b>	<b>\$ (423,464)</b>	<b>\$ 11,549,114</b>	<b>\$ 26,168,590</b>	<b>\$ 525,405,728</b>	<b>\$ 9,480,996</b>	<b>\$ -</b>	<b>\$ 1,041,667,840</b>	<b>\$ (169,361,869)</b>	<b>\$ 872,305,971</b>

\* - Due to Capital Improvements and Debt Accounting entries

Column: Year-End Reporting Adjustments includes items such as Pension Liability (GASB68), OPEB (GASB45), Pollution Remediation Liability (GASB49), and SLGRP Pool Liability

FY18 Actuals Quarter 4 Report-Final

All Funds except Agency and Clearing

	Designated Ops and Service				Restricted Gift				Total	Reporting Adj.	Total	
	Education and General	Center	Auxiliaries	Grant Funds	Funds	Other Funds	Plant Funds	Internal Bank				
State Appropriation	\$ 71,012,264	\$ 1,170,784	\$ 438,026	\$ 77,288	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,698,361		
Tuition and Fees	\$ 415,232,909	\$ 2,234,674	\$ 41,110,510	\$ -	\$ -	\$ -	\$ -	\$ 3,050,244	\$ -	\$ 461,628,336		
Gifts Grants & Contracts	\$ 311,861	\$ 5,809,031	\$ 6,092	\$ 119,441,740	\$ 69,037,013	\$ -	\$ 26,834,685	\$ -	\$ -	\$ 221,440,422		
ICC Revenue	\$ 22,610,802	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,610,802		
Federal Student Aid	\$ -	\$ -	\$ -	\$ 24,512,843	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,512,843		
Interest and Investment	\$ 6,636,769	\$ 12,575,235	\$ 53,067	\$ (9,513)	\$ 222,686	\$ 525,555	\$ 340,605	\$ 5,429,707	\$ -	\$ 25,774,111		
Internal Sales	\$ 5,039,099	\$ 35,055,153	\$ 24,754,341	\$ -	\$ 18,396	\$ -	\$ -	\$ 34,221,469	\$ -	\$ 99,088,459		
Sales & Services	\$ 4,079,736	\$ 11,869,980	\$ 166,051,929	\$ 328	\$ 25,798	\$ -	\$ -	\$ -	\$ -	\$ 182,027,772		
Other Revenues	\$ 1,406,147	\$ 2,601,428	\$ 8,310,717	\$ 634	\$ 83	\$ -	\$ 481,423	\$ -	\$ -	\$ 12,800,432		
Transfers From Ore State Agencies	\$ 30,000	\$ 16,440	\$ -	\$ 7,923,352	\$ -	\$ -	\$ -	\$ 15,105,881	\$ -	\$ 23,075,674		
<b>Total Revenue</b>	<b>\$ 526,359,588</b>	<b>\$ 71,332,727</b>	<b>\$ 240,724,682</b>	<b>\$ 151,946,671</b>	<b>\$ 69,303,976</b>	<b>\$ 525,555</b>	<b>\$ 42,762,594</b>	<b>\$ 42,701,419</b>	<b>\$ -</b>	<b>\$ 1,145,657,212</b>		
<b>Total Personnel Services</b>	<b>\$ 413,007,070</b>	<b>\$ 28,682,382</b>	<b>\$ 87,930,490</b>	<b>\$ 62,392,580</b>	<b>\$ 23,009,755</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 333,576</b>	<b>\$ -</b>	<b>\$ 615,355,853</b>		
Service & Supplies	\$ 103,510,599	\$ 19,819,500	\$ 105,243,404	\$ 28,205,045	\$ 14,821,298	\$ 296,863	\$ 6,083,965	\$ 30,834,050	\$ -	\$ 308,814,723		
Merchandise-Resale/Redistribution	\$ 7,242	\$ 13,437,613	\$ 12,275,464	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,720,319		
Internal Sales Reimbursements	\$ (20,187,586)	\$ (13,491)	\$ (1,600,869)	\$ (26,265)	\$ (1,916)	\$ -	\$ -	\$ -	\$ -	\$ (21,830,127)		
Indirect Costs	\$ 114,398	\$ 2,741,123	\$ 6,883,604	\$ 22,610,802	\$ -	\$ 285,355	\$ -	\$ -	\$ -	\$ 32,635,282		
Depreciation/Amortization Expense	\$ -	\$ 4,332,730	\$ 31,073,653	\$ -	\$ -	\$ -	\$ 29,944,991	\$ -	\$ -	\$ 65,351,374		
Student Aid	\$ 5,430,091	\$ 339,271	\$ 10,488,292	\$ 36,732,906	\$ 18,859,938	\$ 128,459	\$ -	\$ -	\$ -	\$ 71,978,956		
<b>Total General Expense</b>	<b>\$ 88,874,744</b>	<b>\$ 40,656,745</b>	<b>\$ 164,363,548</b>	<b>\$ 87,522,488</b>	<b>\$ 33,679,320</b>	<b>\$ 710,677</b>	<b>\$ 36,028,956</b>	<b>\$ 30,834,050</b>	<b>\$ -</b>	<b>\$ 482,670,527</b>		
<b>Net Transfers Out/(In)</b>	<b>\$ 11,972,880</b>	<b>\$ (1,038,939)</b>	<b>\$ (2,828,606)</b>	<b>\$ 427,861</b>	<b>\$ 8,075,962</b>	<b>\$ 3,175</b>	<b>\$ (17,715,855)</b>	<b>\$ 1,103,521</b>	<b>\$ -</b>	<b>\$ 0.00</b>		
<b>Total Expense</b>	<b>\$ 513,854,694</b>	<b>\$ 68,300,188</b>	<b>\$ 249,465,433</b>	<b>\$ 150,342,929</b>	<b>\$ 64,765,038</b>	<b>\$ 713,852</b>	<b>\$ 18,313,101</b>	<b>\$ 32,271,146</b>	<b>\$ -</b>	<b>\$ 1,098,026,380</b>		
<b>Net before CapEx</b>	<b>\$ 12,504,895</b>	<b>\$ 3,032,538</b>	<b>\$ (8,740,751)</b>	<b>\$ 1,603,742</b>	<b>\$ 4,538,939</b>	<b>\$ (188,297)</b>	<b>\$ 24,449,493</b>	<b>\$ 10,430,273</b>	<b>\$ -</b>	<b>\$ 47,630,831</b>		
<b>Beginning Fund Balance</b>	<b>\$ 73,534,267</b>	<b>\$ 55,835,972</b>	<b>\$ 340,116,636</b>	<b>\$ (423,464)</b>	<b>\$ 11,549,114</b>	<b>\$ 26,168,590</b>	<b>\$ 525,405,728</b>	<b>\$ 9,480,996</b>	<b>\$ -</b>	<b>\$ 1,041,667,840</b>		
<b>Capital Expenditures</b>	<b>\$ (5,011,157)</b>	<b>\$ (1,086,437)</b>	<b>\$ (3,513,729)</b>	<b>\$ (2,134,196)</b>	<b>\$ (1,524,567)</b>	<b>\$ -</b>	<b>\$ (100,842,559)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (114,112,645)</b>		
<b>Net (from above)</b>	<b>\$ 12,504,895</b>	<b>\$ 3,032,538</b>	<b>\$ (8,740,751)</b>	<b>\$ 1,603,742</b>	<b>\$ 4,538,939</b>	<b>\$ (188,297)</b>	<b>\$ 24,449,493</b>	<b>\$ 10,430,273</b>	<b>\$ -</b>	<b>\$ 47,630,831</b>		
<b>Fund Additions/Deductions*</b>	<b>\$ (1,941,986)</b>	<b>\$ (238,155)</b>	<b>\$ 22,947,120</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 93,627,243</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 114,394,223</b>	<b>\$ (237,565,579)</b>	
<b>Ending Fund Balance</b>	<b>\$ 79,086,019</b>	<b>\$ 57,543,918</b>	<b>\$ 350,809,277</b>	<b>\$ (953,917)</b>	<b>\$ 14,563,485</b>	<b>\$ 25,980,293</b>	<b>\$ 542,639,905</b>	<b>\$ 19,911,269</b>	<b>\$ -</b>	<b>\$ 1,089,580,249</b>	<b>\$ (237,565,579)</b>	<b>\$ 852,014,670</b>
<b>Year-End Accounting Entries **</b>	<b>\$ (1,879,287)</b>	<b>\$ 1,072,453</b>	<b>\$ (27,414,422)</b>	<b>\$ (645,387)</b>	<b>\$ (31,250)</b>	<b>\$ -</b>	<b>\$ 26,434,009</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2,463,883)</b>		<b>\$ (2,463,883)</b>
<b>Net Capital Assets</b>	<b>\$ -</b>	<b>\$ 28,033,051</b>	<b>\$ 292,442,899</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 481,405,478</b>	<b>\$ (4,770,972)</b>	<b>\$ -</b>	<b>\$ 797,110,457</b>		<b>\$ 797,110,457</b>
<b>Other Restricted Net Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,599,304)</b>	<b>\$ 14,532,235</b>	<b>\$ 25,980,293</b>	<b>\$ 49,846,441</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 88,759,666</b>	<b>\$ (959,600)</b>	<b>\$ 87,800,066</b>
<b>Unrestricted Net Assets</b>	<b>\$ 77,206,732</b>	<b>\$ 30,583,320</b>	<b>\$ 30,951,956</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 37,821,994</b>	<b>\$ 24,682,241</b>	<b>\$ -</b>	<b>\$ 201,246,243</b>	<b>\$ (236,605,979)</b>	<b>\$ (35,359,736)</b>
<b>Total Net Assets</b>	<b>\$ 77,206,732</b>	<b>\$ 58,616,371</b>	<b>\$ 323,394,855</b>	<b>\$ (1,599,304)</b>	<b>\$ 14,532,235</b>	<b>\$ 25,980,293</b>	<b>\$ 569,073,914</b>	<b>\$ 19,911,269</b>	<b>\$ -</b>	<b>\$ 1,087,116,366</b>	<b>\$ (237,565,579)</b>	<b>\$ 849,550,787</b>

\* - Due to Capital Improvements and Debt Accounting entries, Includes Elimination of State Paid Debt from UO Books

\*\* - Year-End Accounting - e.g. Allocate Pension Liability, Reclass Cash to Investments, Allocate Debt

**FY19 Initial Projection - All Funds except Agency and Clearing**

	Designated Ops								
	Education and General	and Service Center	Auxiliaries	Grant Funds	Restricted Gift Funds	Other Funds	Plant Funds	Internal Bank	Total
State Appropriation	\$ 72,887,100	\$ 1,212,024	\$ 453,200	\$ 75,450	\$ -	\$ -	\$ -	\$ -	\$ 74,627,774
Tuition and Fees	\$ 428,200,000	\$ 2,846,108	\$ 42,153,897	\$ -	\$ -	\$ -	\$ -	\$ 3,050,000	\$ 476,250,005
Gifts Grants & Contracts	\$ 315,000	\$ 5,000,000	\$ 100,000	\$ 115,500,000	\$ 71,000,000	\$ 2,000	\$ 75,500,000		\$ 267,417,000
ICC Revenue	\$ 23,348,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 23,348,000
Federal Student Aid		\$ -	\$ -	\$ 23,500,000	\$ -	\$ -	\$ -		\$ 23,500,000
Interest and Investment	\$ 6,190,300	\$ 12,300,000	\$ 50,000	\$ 15,000	\$ 300,000	\$ 503,000	\$ 405,000	\$ 6,095,000	\$ 25,858,300
Internal Sales	\$ 2,300,000	\$ 50,834,201	\$ 24,072,805	\$ -	\$ 18,000	\$ -	\$ -	\$ 35,540,000	\$ 112,765,006
Sales & Services	\$ 4,400,000	\$ 10,073,312	\$ 166,590,261	\$ 600,000	\$ 63,160	\$ -	\$ -	\$ -	\$ 181,726,733
Other Revenues	\$ 1,100,000	\$ 2,559,346	\$ 3,370,779	\$ -	\$ 15,000	\$ -	\$ 205,000	\$ -	\$ 7,250,125
Transfers From Ore State Agencies	\$ -	\$ -	\$ -	\$ 8,250,000	\$ -	\$ -	\$ 30,000,000	\$ -	\$ 38,250,000
<b>Total Revenue</b>	<b>\$ 538,740,400</b>	<b>\$ 84,824,991</b>	<b>\$ 236,790,942</b>	<b>\$ 147,940,450</b>	<b>\$ 71,396,160</b>	<b>\$ 505,000</b>	<b>\$ 106,110,000</b>	<b>\$ 44,685,000</b>	<b>\$ 1,230,992,943</b>
<b>Total Personnel Services</b>	<b>\$ 423,320,000</b>	<b>\$ 43,184,000</b>	<b>\$ 92,641,000</b>	<b>\$ 62,839,000</b>	<b>\$ 22,719,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 330,000</b>	<b>\$ 645,033,000</b>
Service & Supplies	\$ 110,736,000	\$ 24,081,000	\$ 104,220,000	\$ 25,500,000	\$ 18,635,000	\$ 100,000	\$ 5,265,000	\$ 30,370,000	\$ 318,907,000
Merchandise-Resale/Redistribution	\$ 2,000	\$ 13,690,000	\$ 12,523,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,215,000
Internal Sales Reimbursements	\$ (19,380,000)	\$ (300,000)	\$ (1,328,000)	\$ (25,000)	\$ (115,000)	\$ -	\$ -	\$ -	\$ (21,148,000)
Indirect Costs	\$ 416,000	\$ 2,875,000	\$ 7,555,000	\$ 23,348,000	\$ -	\$ 275,000	\$ -	\$ -	\$ 34,469,000
Depreciation/Amortization Expense	\$ -	\$ 4,292,130	\$ 30,833,545	\$ -	\$ -	\$ -	\$ 31,900,555	\$ -	\$ 67,026,229
Student Aid	\$ 4,500,000	\$ 1,413,000	\$ 5,125,000	\$ 35,908,000	\$ 23,705,000	\$ 125,000	\$ -	\$ -	\$ 70,776,000
<b>Total General Expense</b>	<b>\$ 96,274,000</b>	<b>\$ 46,051,130</b>	<b>\$ 158,928,545</b>	<b>\$ 84,731,000</b>	<b>\$ 42,225,000</b>	<b>\$ 500,000</b>	<b>\$ 37,165,555</b>	<b>\$ 30,370,000</b>	<b>\$ 496,245,229</b>
<b>Net Transfers Out(In)</b>	<b>\$ 14,000,000</b>	<b>\$ 500,000</b>	<b>\$ (1,500,000)</b>	<b>\$ 800,000</b>	<b>\$ 8,175,000</b>	<b>\$ -</b>	<b>\$ (24,117,388)</b>	<b>\$ 2,142,388</b>	<b>\$ -</b>
<b>Total Expense</b>	<b>\$ 533,594,000</b>	<b>\$ 89,735,130</b>	<b>\$ 250,069,545</b>	<b>\$ 148,370,000</b>	<b>\$ 73,119,000</b>	<b>\$ 500,000</b>	<b>\$ 13,048,167</b>	<b>\$ 32,842,388</b>	<b>\$ 1,141,278,229</b>
<b>Net before CapEx</b>	<b>\$ 5,146,400</b>	<b>\$ (4,910,139)</b>	<b>\$ (13,278,603)</b>	<b>\$ (429,550)</b>	<b>\$ (1,722,840)</b>	<b>\$ 5,000</b>	<b>\$ 93,061,833</b>	<b>\$ 11,842,612</b>	<b>\$ 89,714,713</b>
<b>Beginning Fund Balance</b>	<b>\$ 77,206,732</b>	<b>\$ 58,616,371</b>	<b>\$ 323,394,855</b>	<b>\$ (1,599,304)</b>	<b>\$ 14,532,235</b>	<b>\$ 25,980,293</b>	<b>\$ 569,073,914</b>	<b>\$ 19,911,269</b>	<b>\$ 1,087,116,366</b>
<b>Capital Expenditures</b>	<b>\$ (7,500,000)</b>	<b>\$ (100,000)</b>	<b>\$ (200,000)</b>	<b>\$ (1,500,000)</b>	<b>\$ (1,200,000)</b>	<b>\$ -</b>	<b>\$ (182,700,000)</b>	<b>\$ -</b>	<b>\$ (193,200,000)</b>
<b>Net (from above)</b>	<b>\$ 5,146,400</b>	<b>\$ (4,910,139)</b>	<b>\$ (13,278,603)</b>	<b>\$ (429,550)</b>	<b>\$ (1,722,840)</b>	<b>\$ 5,000</b>	<b>\$ 93,061,833</b>	<b>\$ 11,842,612</b>	<b>\$ 89,714,713</b>
<b>Fund Additions/Deductions*</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 95,000,000</b>	<b>\$ -</b>	<b>\$ 95,000,000</b>
<b>Ending Fund Balance</b>	<b>\$ 74,853,132</b>	<b>\$ 53,606,233</b>	<b>\$ 309,916,252</b>	<b>\$ (3,528,854)</b>	<b>\$ 11,609,395</b>	<b>\$ 25,985,293</b>	<b>\$ 574,435,747</b>	<b>\$ 31,753,881</b>	<b>\$ 1,078,631,079</b>
<b>Year-End Accounting Entries **</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Net Capital Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Other Restricted Net Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Unrestricted Net Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Total Net Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>

\* - Due to Capital Improvements and Debt Accounting entries

\*\* - Year-End Accounting - e.q. Allocate Pension Liability, Reclass Cash to Investments, Allocate Debt

**FY19 Actuals Quarter 2 Report**
**All Funds except Agency and Clearing**

	Designated Ops									Total
	Education and			and Service		Restricted Gift			Internal Bank	
	General	Center	Auxiliaries	Grant Funds	Funds	Other Funds	Plant Funds			
State Appropriation	\$ 43,547,069	\$ 585,392	\$ 226,324	\$ 30,862	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,389,648
Tuition and Fees	\$ 286,959,936	\$ 2,185,750	\$ 28,461,730	\$ -	\$ -	\$ -	\$ -	\$ 2,121,883	\$ -	\$ 319,729,300
Gifts Grants & Contracts	\$ 730	\$ 1,883,821	\$ -	\$ 60,610,559	\$ 43,537,335	\$ -	\$ 39,085,741	\$ -	\$ -	\$ 145,118,186
ICC Revenue	\$ 12,517,936	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,517,936
Federal Student Aid	\$ -	\$ -	\$ -	\$ 9,138,998	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,138,998
Interest and Investment	\$ 3,032,784	\$ 7,295,926	\$ 30,920	\$ 731	\$ 82,015	\$ 259,644	\$ 237,810	\$ 2,692,270	\$ -	\$ 13,632,101
Internal Sales	\$ 1,337,261	\$ 24,854,071	\$ 11,064,433	\$ -	\$ -	\$ -	\$ -	\$ 23,466,172	\$ -	\$ 60,721,936
Sales & Services	\$ 2,492,352	\$ 6,853,283	\$ 92,513,964	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 101,859,600
Other Revenues	\$ 1,009,117	\$ 1,326,771	\$ 547,046	\$ -	\$ -	\$ -	\$ 44,338	\$ -	\$ -	\$ 2,927,272
Transfers From Ore State Agencies	\$ -	\$ -	\$ -	\$ 4,264,328	\$ -	\$ -	\$ 4,023,102	\$ -	\$ -	\$ 8,287,430
<b>Total Revenue</b>	<b>\$ 350,897,186</b>	<b>\$ 44,985,016</b>	<b>\$ 132,844,418</b>	<b>\$ 74,045,478</b>	<b>\$ 43,619,350</b>	<b>\$ 259,644</b>	<b>\$ 43,390,990</b>	<b>\$ 28,280,324</b>	<b>\$ -</b>	<b>\$ 718,322,407</b>
<b>Total Personnel Services</b>	<b>\$ 189,446,122</b>	<b>\$ 20,719,739</b>	<b>\$ 43,721,833</b>	<b>\$ 33,612,705</b>	<b>\$ 12,270,092</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 163,634</b>	<b>\$ -</b>	<b>\$ 299,934,125</b>
Service & Supplies	\$ 56,445,703	\$ 10,707,245	\$ 52,423,906	\$ 11,550,662	\$ 16,084,781	\$ 48,416	\$ 3,908,427	\$ 2,552,215	\$ -	\$ 153,721,356
Merchandise-Resale/Redistribution	\$ (55,624)	\$ 7,666,187	\$ 5,687,299	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,297,861
Internal Sales Reimbursements	\$ (8,217,289)	\$ (1,000)	\$ (922,697)	\$ (26,280)	\$ -	\$ -	\$ (1,387,743)	\$ -	\$ -	\$ (10,555,009)
Indirect Costs	\$ 53,262	\$ 1,371,101	\$ 3,662,083	\$ 12,548,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,635,346
Depreciation/Amortization Expense	\$ -	\$ 2,133,983	\$ 15,380,474	\$ -	\$ -	\$ -	\$ 15,081,718	\$ -	\$ -	\$ 32,596,175
Student Aid	\$ 3,093,674	\$ 124,332	\$ 1,595,378	\$ 24,892,853	\$ 17,255,862	\$ 148,696	\$ -	\$ -	\$ -	\$ 47,110,796
<b>Total General Expense</b>	<b>\$ 51,319,726</b>	<b>\$ 22,001,848</b>	<b>\$ 77,826,442</b>	<b>\$ 48,966,136</b>	<b>\$ 33,340,643</b>	<b>\$ 197,113</b>	<b>\$ 17,602,401</b>	<b>\$ 2,552,215</b>	<b>\$ -</b>	<b>\$ 253,806,523</b>
<b>Net Transfers Out/(In)</b>	<b>\$ 5,433,121</b>	<b>\$ (337,411)</b>	<b>\$ 949,339</b>	<b>\$ 145,043</b>	<b>\$ 5,208,747</b>	<b>\$ -</b>	<b>\$ (13,541,227)</b>	<b>\$ 2,142,388</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expense</b>	<b>\$ 246,198,969</b>	<b>\$ 42,384,176</b>	<b>\$ 122,497,614</b>	<b>\$ 82,723,884</b>	<b>\$ 50,819,482</b>	<b>\$ 197,113</b>	<b>\$ 4,061,174</b>	<b>\$ 4,858,237</b>	<b>\$ -</b>	<b>\$ 553,740,649</b>
<b>Net before CapEx</b>	<b>\$ 104,698,217</b>	<b>\$ 2,600,840</b>	<b>\$ 10,346,804</b>	<b>\$ (8,678,406)</b>	<b>\$ (7,200,132)</b>	<b>\$ 62,532</b>	<b>\$ 39,329,816</b>	<b>\$ 23,422,087</b>	<b>\$ -</b>	<b>\$ 164,581,758</b>
<b>Beginning Fund Balance</b>	<b>\$ 77,206,732</b>	<b>\$ 58,616,371</b>	<b>\$ 323,394,855</b>	<b>\$ (1,599,304)</b>	<b>\$ 14,532,235</b>	<b>\$ 25,980,293</b>	<b>\$ 569,073,914</b>	<b>\$ 19,911,269</b>	<b>\$ -</b>	<b>\$ 1,087,116,366</b>
<b>Capital Expenditures</b>	<b>\$ (2,534,437)</b>	<b>\$ (255,365)</b>	<b>\$ (20,397)</b>	<b>\$ (214,099)</b>	<b>\$ (1,020,666)</b>	<b>\$ -</b>	<b>\$ (51,772,376)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (55,817,338)</b>
<b>Net (from above)</b>	<b>\$ 104,698,217</b>	<b>\$ 2,600,840</b>	<b>\$ 10,346,804</b>	<b>\$ (8,678,406)</b>	<b>\$ (7,200,132)</b>	<b>\$ 62,532</b>	<b>\$ 39,329,816</b>	<b>\$ 23,422,087</b>	<b>\$ -</b>	<b>\$ 164,581,758</b>
<b>Fund Additions/Deductions*</b>	<b>\$ -</b>	<b>\$ 648,230</b>	<b>\$ (169,117)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,946,588</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,425,701</b>
<b>Ending Fund Balance</b>	<b>\$ 179,370,513</b>	<b>\$ 61,610,076</b>	<b>\$ 333,552,146</b>	<b>\$ (10,491,809)</b>	<b>\$ 6,311,438</b>	<b>\$ 26,042,825</b>	<b>\$ 564,577,942</b>	<b>\$ 43,333,356</b>	<b>\$ -</b>	<b>\$ 1,204,306,487</b>
<b>Year-End Accounting Entries **</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Net Capital Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Other Restricted Net Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Unrestricted Net Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Total Net Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>

\* - Due to Capital Improvements and Debt Accounting entries, Includes Elimination of State Paid Debt from UO Books

\*\* - Year-End Accounting - e.g. Allocate Pension Liability, Reclass Cash to Investments, Allocate Debt

**FY19 Actuals Quarter 2 Report**
**Education and General**

	FY19 Updated		FY19 Q2 Actual as %		FY19 Q2 inc/(dec)	FY18 Total	FY19 Q1	FY19 Updated	FY19 Updated
	Projection Q1	FY19 Actual Q2	of Proj	FY18 Actual Q2	from FY18	Actual	Proj vs FY18	Projection Q2	vs FY18 Total
					Q2		Total as %		as %
State Appropriation	\$ 71,909,100	\$ 43,547,069	60.6%	\$ 42,419,258	2.7%	\$ 71,012,264	1.3%	\$ 72,712,007	2.4%
Tuition and Fees	\$ 422,176,086	\$ 286,959,936	68.0%	\$ 284,779,578	0.8%	\$ 415,232,909	1.7%	\$ 420,676,086	1.3%
Gifts Grants & Contracts	\$ 315,000	\$ 730	0.2%	\$ 31,145	-97.7%	\$ 311,861	1.0%	\$ 315,000	1.0%
ICC Revenue	\$ 24,400,000	\$ 12,517,936	51.3%	\$ 11,644,243	7.5%	\$ 22,610,802	7.9%	\$ 24,400,000	7.9%
Federal Student Aid	\$ -	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Interest and Investment	\$ 7,700,000	\$ 3,032,784	39.4%	\$ 2,938,199	3.2%	\$ 6,636,769	16.0%	\$ 7,700,000	16.0%
Internal Sales	\$ 2,300,000	\$ 1,337,261	58.1%	\$ 2,228,967	-40.0%	\$ 5,039,099	-54.4%	\$ 2,300,000	-54.4%
Sales & Services	\$ 4,400,000	\$ 2,492,352	56.6%	\$ 2,417,087	3.1%	\$ 4,079,736	7.9%	\$ 4,400,000	7.9%
Other Revenues	\$ 1,100,000	\$ 1,009,117	91.7%	\$ 383,783	162.9%	\$ 1,406,147	-21.8%	\$ 1,100,000	-21.8%
Transfers From Ore State Agencies	\$ -	\$ -	-	\$ -	-	\$ 30,000	-100.0%	\$ -	-100.0%
<b>Total Revenue</b>	<b>\$ 534,300,186</b>	<b>\$ 350,897,186</b>	<b>65.7%</b>	<b>\$ 346,842,260</b>	<b>1.2%</b>	<b>\$ 526,359,588</b>	<b>1.5%</b>	<b>\$ 533,603,093</b>	<b>1.4%</b>
<b>Total Personnel Services</b>	<b>\$ 422,520,000</b>	<b>\$ 189,446,122</b>	<b>44.8%</b>	<b>\$ 184,532,576</b>	<b>2.7%</b>	<b>\$ 413,007,070</b>	<b>2.3%</b>	<b>\$ 424,270,000</b>	<b>2.7%</b>
Service & Supplies	\$ 110,736,000	\$ 56,445,703	51.0%	\$ 51,516,565	9.6%	\$ 103,510,599	7.0%	\$ 111,736,000	7.9%
Merchandise-Resale/Redistribution	\$ 2,000	\$ (55,624)	-2781.2%	\$ 187	-29925.4%	\$ 7,242	-72.4%	\$ 2,000	-72.4%
Internal Sales Reimbursements	\$ (19,380,000)	\$ (8,217,289)	42.4%	\$ (9,569,115)	-14.1%	\$ (20,187,586)	-4.0%	\$ (19,380,000)	-4.0%
Indirect Costs	\$ 416,000	\$ 53,262	12.8%	\$ 73,944	-28.0%	\$ 114,398	263.6%	\$ 416,000	263.6%
Depreciation/Amortization Expense	\$ -	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Student Aid	\$ 5,500,000	\$ 3,093,674	56.2%	\$ 1,843,802	67.8%	\$ 5,430,091	1.3%	\$ 6,000,000	10.5%
<b>Total General Expense</b>	<b>\$ 97,274,000</b>	<b>\$ 51,319,726</b>	<b>52.8%</b>	<b>\$ 43,865,382</b>	<b>17.0%</b>	<b>\$ 88,874,744</b>	<b>9.5%</b>	<b>\$ 98,774,000</b>	<b>11.1%</b>
<b>Net Transfers Out(In)</b>	<b>\$ 14,000,000</b>	<b>\$ 5,433,121</b>	<b>38.8%</b>	<b>\$ 2,767,745</b>	<b>96.3%</b>	<b>\$ 11,972,880</b>	<b>16.9%</b>	<b>\$ 12,500,000</b>	<b>4.4%</b>
<b>Total Expense</b>	<b>\$ 533,794,000</b>	<b>\$ 246,198,969</b>	<b>46.1%</b>	<b>\$ 231,165,704</b>	<b>6.5%</b>	<b>\$ 513,854,694</b>	<b>3.9%</b>	<b>\$ 535,544,000</b>	<b>4.2%</b>
<b>Net before CapEx</b>	<b>\$ 506,186</b>	<b>\$ 104,698,217</b>	<b>20683.7%</b>	<b>\$ 115,676,557</b>	<b>-9.5%</b>	<b>\$ 12,504,895</b>	<b>-96.0%</b>	<b>\$ (1,940,907)</b>	<b>-115.5%</b>
<b>Beginning Fund Balance</b>	<b>\$ 77,206,732</b>	<b>\$ 77,206,732</b>	<b>100.0%</b>	<b>\$ 73,534,267</b>	<b>5.0%</b>	<b>\$ 73,534,267</b>	<b>5.0%</b>	<b>\$ 77,206,732</b>	<b>5.0%</b>
<b>Capital Expenditures</b>	<b>\$ (6,000,000)</b>	<b>\$ (2,534,437)</b>	<b>42.2%</b>	<b>\$ (2,263,111)</b>	<b>12.0%</b>	<b>\$ (5,011,157)</b>	<b>19.7%</b>	<b>\$ (6,000,000)</b>	<b>19.7%</b>
<b>Net (from above)</b>	<b>\$ 506,186</b>	<b>\$ 104,698,217</b>	<b>20683.7%</b>	<b>\$ 115,676,557</b>	<b>-9.5%</b>	<b>\$ 12,504,895</b>	<b>-96.0%</b>	<b>\$ (1,940,907)</b>	<b>-115.5%</b>
<b>Fund Additions/Deductions*</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>\$ (1,941,986)</b>	<b>-100.0%</b>	<b>\$ -</b>	<b>-100.0%</b>
<b>Year-End Accounting Entries</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>\$ (1,879,287)</b>	<b>-100.0%</b>	<b>\$ -</b>	<b>-100.0%</b>
<b>Ending Fund Balance</b>	<b>\$ 71,712,918</b>	<b>\$ 179,370,513</b>	<b>250.1%</b>	<b>\$ 186,947,713</b>	<b>-4.1%</b>	<b>\$ 77,206,732</b>	<b>-7.1%</b>	<b>\$ 69,265,825</b>	<b>-10.3%</b>
<b>Year-End Accounting Entries **</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Net Capital Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Other Restricted Net Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Unrestricted Net Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Total Net Assets</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>

\* - Due to Capital Improvements and Debt Accounting entries

\*\* - Year-End Accounting - e.q. Allocate Pension Liability, Reclass Cash to Investments, Allocate Debt

**FY19 Actuals Quarter 2 Report**
**Total All Fund Groups**

<b>Personnel Services</b>	<b>Total Dollars</b>			<b>Benefits as a % of Total Salary &amp; Leave</b>	
	<b>FY2018</b>	<b>FY2019</b>	<b>Yr/Yr % Inc</b>	<b>FY2018</b>	<b>FY2019</b>
Salary & Wages	\$176,819,882	\$186,408,924	5.4%		
<b>Other Payroll Expense(OPE) and Leave</b>					
Personnel Leave	\$12,058,686	\$12,601,465	4.5%	6.4%	6.3%
Medical Insurance	\$35,796,306	\$36,903,726	3.1%	19.0%	18.5%
Retirement	\$35,772,825	\$36,062,305	0.8%	18.9%	18.1%
Other OPE	\$13,671,041	\$14,265,277	4.3%	7.2%	7.2%
<b>Total OPE &amp; Leave</b>	<b>\$97,298,858</b>	<b>\$99,832,772</b>	<b>2.6%</b>	<b>51.5%</b>	<b>50.2%</b>
<b>*Total Personnel Services</b>	<b>\$274,118,739</b>	<b>\$286,241,696</b>	<b>4.4%</b>		

\* Data excludes OPE GE Remissions (Tuition, Fees & Benefits), Benefit Compensation and Year end accruals/adjustments

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## **Agenda Item #2**

### **Slope Terrace at Tykeson Hall**

University policy stipulates that the Board of Trustees must approve the naming of any university outdoor areas in recognition of individuals. (*See* Policy I.01.01, Section 1.7.1.) One such request is now before the Board at the recommendation of President Schill. This request originated with University Advancement and the College of Arts and Sciences.

The proposal would a third-floor terrace in the new Tykeson Hall building after George and Conni Slape, volunteers with and donors to the College of Arts and Sciences. In addition to other time and philanthropic support, the Slapes made a \$1 million gift to Tykeson Hall in fall 2016, and George—as a member of the CAS Dean’s Advisory Board—has been instrumental in supporting the vision and mission of Tykeson Hall.

The formal name would be: **Slape Terrace**.

Attached for your consideration:

1. The resolution
2. A memo from the provost and vice president for advancement requesting this action
3. A schematic design of Tykeson Hall’s third floor demonstrating where the terrace sits

**Finance and Facilities Committee  
Board of Trustees of the University of Oregon**

**Resolution: Naming Slape Terrace (Tykeson Hall)**

Whereas, the University of Oregon wishes to recognize George and Conni Slape for their generous support of Tykeson Hall and the College of Arts and Sciences;

Whereas, the Slapes have volunteered time and provided philanthropic support to the College, and have been instrumental in supporting the vision and mission of Tykeson Hall, a state-of-the-art facility that will be the college and career advising hub for UO students;

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”) to name any outdoor area in recognition of an individual or individuals;

Whereas, the Board’s Policy on Committees authorizes the Finance and Facilities Committee to refer matters to the full Board as a seconded motion;

Now, therefore, the Finance and Facilities Committee hereby refers the following to the Board of Trustees as a seconded motion, recommending passage:

RESOLVED, the Board of Trustees hereby names the third-floor, west-facing roof terrace in Tykeson Hall **Slape Terrace**.

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

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

<b>Trustee</b>	<b>Yes</b>	<b>No</b>
Aaron		
Bragdon		
Colas		
Gonyea		
Kari (Chair)		
Murray		
Schill		

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

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

**MEMORANDUM**

November 19, 2018

To: Michael Schill  
President

From: Mike Andreasen  
Vice President, University Advancement

Jayanth Banavar  
Provost and Senior Vice President

JRB

Re: Naming of Tykeson Hall third-floor terrace

Construction is well underway for Tykeson Hall, the new state-of-the-art facility that will formally house the College of Arts and Sciences and the UO Career Center. It will provide much needed classrooms, offices, and collaborate spaces for students and faculty.

We formally request that the third-floor, west-facing roof terrace outside of the writing and math tutoring labs and classrooms be named for George and Conni Slape. This terrace will serve as a student gathering place and overlooks the Tykeson Hall lawn.

George and Conni made a \$1 million outright gift to Tykeson Hall in the fall of 2016. In March of 2018, they made a \$1.75 million deferred commitment to benefit the CAS Dean's Excellence Fund, Economics and International Studies. George has been a member of the CAS Dean's Advisory Board since 2008 and has been instrumental in supporting the vision and mission of Tykeson Hall.

Accordingly, we propose that the terrace be named the **Slape Terrace** in recognition of their generous support of Tykeson Hall.

It is our understanding that you will consult with the Faculty Advisory Council before this request moves forward. Please let us know if you need anything further.

Chapman Hall

JSMA



STAMP

REVISIONS TO THIS SHEET	
REV.	DATE

SET ISSUE DATE	
SD ESTIMATE	2016-08-26
SD 100%	2016-09-23
DSGN RFN	2017-04-07
DD 50%	2017-06-05
DD 100%	2017-08-25
CD 50%	2017-11-06
CD 95%	2018-01-15
CD 100%	2018-02-26

PROJECT TRACKING	
RBA #:	1610
CLIENT #:	CP15-088
P.I.C.:	MARK YOUNG
PM / PA:	CHRIS ANDREJKO



Project Name  
**TYKESON HALL**

Project Address  
**1030 E. 13th AVE  
EUGENE OREGON**

**3RD FLOOR PLAN -  
PRESENTATION**

**A-3**

**1** 3RD FLOOR\_PRESENTATION  
1/8" = 1'-0"

Johnson Hall

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## **Agenda Item #3**

# **Quarterly Audit Report and OVPRI Compliance Update**



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# Office of Internal Audit

## Quarterly Report

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**March 2019**

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

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Upcoming Projects..... 4  
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Administrative..... 5

**SUMMARY**

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The Office of Internal Audit (“Internal Audit”) provides a quarterly report to assist the President and the Executive and Audit Committee with their oversight responsibilities for Internal Audit.

Internal Audit works to complete projects from the approved audit plan while meeting administrative goals for the year. Consulting projects are also proposed by campus units, and are prioritized based on audit staff capacity in an effort to proactively address risks and increase efficiencies across campus. The office currently has one vacant auditor position that has had an impact on execution of the audit plan. However, we are currently interviewing candidates to fill this position.

During the previous quarter, Internal Audit finalized four assurance projects and one consulting project. In addition, there are seven assurance projects and three consulting projects in progress at various stages of completion. Follow up projects are also performed to ensure previous audit recommendations have been followed, and risks have been appropriately addressed; one follow up project is in progress as of now.

Finally, a successful partnership with student members of the undergraduate accounting society Beta Alpha Psi during the previous Spring term allowed us to begin another project with a new group of students. The team is working on the Vendor Reviews audit under the supervision of the Senior Auditor.

If there are any questions regarding the content of this report, I am available for discussion. Thank you for your work and your continued support of Internal Audit.

## COMPLETED PROJECTS

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### ASSURANCE

#### ***Cash Handling Practices***

The objective of this project was to evaluate the internal control structure of the processes governing cash handling across campus, as established by the Business Affairs Office (“BAO”). Based on our review, the current internal control structure over the departmental deposits and petty cash processes does not provide reasonable assurance that internal controls are in place and functioning as intended. Internal Audit will follow up at a later time to ensure management’s corrective actions have been implemented.

#### ***I-9 Compliance***

Internal Audit worked on this project in collaboration with students from Beta Alpha Psi. The objective was to evaluate the University’s compliance with I-9 requirements during the hiring process. Based on our review, the I-9 compliance program requires improvement in order to provide reasonable assurance that internal controls over compliance are in place and functioning. Internal Audit will follow up at a later time to ensure management’s corrective actions have been implemented.

#### ***NCAA Ticket Count***

The objective of this project was to verify average minimum attendance per the NCAA Division I requirements. Based on our review, the average minimum attendance requirement was met. However, opportunities exist to improve the quality of information received from the software vendor. Internal Audit will follow up at a later time to ensure management’s corrective actions have been implemented.

#### ***NCAA Compliance Program***

The objective of this project was to evaluate the NCAA compliance program in Athletics. Based on information obtained during our work indicating a recent review of the program by a firm with expertise in this area, the audit will not be undertaken at this time.

### CONSULTING

#### ***Citation Appeals Process***

The objective of this project was to assist management in Transportation Services in identifying opportunities for improvements over the citation appeals process.

## PROJECTS IN PROGRESS

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### ASSURANCE

#### ***Non-Retaliation Processes***

Internal Audit began this project in August 2017. This project was identified on the approved FY18 audit plan. The objective is to evaluate the compliance and effectiveness of current University policies governing retaliatory behavior. This project had been reassigned to the Chief Auditor for completion due to turnover. This project is currently in the reporting phase pending management responses. *Estimated completion: March 2019*

#### ***Human Resources (HR) Practices and Controls***

Internal Audit, in collaboration with Baker Tilly, began this project in May 2018. This project was identified on the approved FY18 audit plan. The objective is to evaluate the effectiveness of processes within the central function. This project is currently in the reporting phase pending management responses. *Estimated completion: March 2019*

#### ***Payment Card Industry (PCI) Program Assessment***

Internal Audit, in collaboration with Baker Tilly, began this project in October 2018. This project was identified on the approved FY19 audit plan. The objective is to review and assess the University’s program for complying with PCI Data Security Standards (DSS) requirements. This project is currently in the reporting phase pending management responses. *Estimated completion: March 2019*

### **Firearms Inventory**

Internal Audit began this project in September 2018. This project was identified on the approved FY19 audit plan. The objective is to verify that all firearms purchased by the University of Oregon Police Department are tracked, accounted for, and properly registered as required. This project is currently in the fieldwork phase. *Estimated completion: April 2019*

### **University Health Center IT Assessment**

Internal Audit, in collaboration with Baker Tilly, began this project in October 2018. This project was identified on the approved FY19 audit plan. The objective is to conduct an IT assessment for the University Health Center covering key people, processes, and technology used. This project is currently in the reporting phase. *Estimated completion: April 2019*

### **Vendor Reviews**

Internal Audit, in collaboration with students from Beta Alpha Psi, begin this project in December 2018. This project was identified on the approved FY19 audit plan. The objective is to verify appropriate contracts are in place, as required. *Estimated completion: April 2019*

### **Inventory of Critical Business Functions**

Internal Audit began this project in September 2018. This project was identified on the approved FY19 audit plan. The objective is to perform an assessment of where and how decentralized critical business processes occur at the University. This project is currently in the planning phase. *Estimated completion: June 2019*

## **CONSULTING**

Internal Audit is currently working on three consulting projects for different units on campus that are at various stages of completion, with three additional consulting projects requested. While these projects take time away from planned assurance projects, they serve three very important purposes, 1) to improve efficiencies and effectiveness in a proactive manner, 2) to reinforce Internal Audit's purpose to be a valuable partner, and 3) to provide Internal Audit with more insight regarding campus risks. Areas addressed in the current year include internal controls, process improvement, and identification of efficiencies. Once finalized, reports are issued summarizing any recommendations.

## **FOLLOW-UP PROJECTS**

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To comply with internal auditing standards that require monitoring of audit recommendations communicated to management, Internal Audit performs follow-up projects. The objective is to ensure corrective actions on the audit recommendations, including those that may have been considered non-reportable, have been effectively implemented by management, or that management has accepted the risk of not taking action.

## **COMPLETED**

There were no follow-up assurance or consulting projects completed during this quarter.

## **PROJECTS IN PROGRESS**

### ***Follow Up of Purchasing Practices***

Internal Audit is following up on six observations and related management corrective actions from the original report. *Estimated completion: April 2019*

## **UPCOMING PROJECTS**

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## **ASSURANCE**

### ***Ticket and Parking Sales Processes***

Internal Audit is now scheduled to begin this project in March 2019. This project was identified on the approved FY19 audit plan. The objective is to evaluate the adequacy of controls over reporting and accountability for ticket and parking sales

#### **International Student Employment**

Internal Audit is scheduled to begin this project in April 2019. This project was identified on the approved FY19 audit plan. The objective is to assess compliance with DHS and other relevant requirements for international student employment.

#### **CONSULTING**

There are three consulting projects due for follow up in the next quarter. In addition, three new requests have been received.

#### **HOTLINE SUMMARY**

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Internal Audit has received the following requests for investigative services during the current fiscal year. Of these, three are complete, two are in progress, and 11 have been referred to other units. Note that those referred to other units are followed up on by Internal Audit to ensure appropriate disposition.

<b>Reporting Sources for FY19 Investigative Services</b>	
<b>Campus Direct to Internal Audit</b>	<b>3</b>
<b>3rd Party Hotline</b>	<b>13</b>
<b>Grand Total</b>	<b>16</b>

It is common for a university our size to have an active hotline. Peer institution benchmarking indicates the activity has been low for our institution, but has improved from the prior fiscal year. Internal Audit is working with leadership on additional ways to market this tool. In addition, Internal Audit is working to inventory other reporting mechanisms that may exist on campus.

#### **ONGOING PROJECTS**

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*Consulting:* As mentioned previously, consulting projects are performed at management's request. The FY19 audit plan includes time for these activities. This is an area that Internal Audit has emphasized and pursued heavily. As opportunities arise, Internal Audit offers this service and it has been well received by the University community. Internal Audit continues to offer training on internal controls, risk, and fraud awareness and presents at the annual Financial Stewardship Institute. Additionally, Internal Audit has developed a training series on the COSO Internal Control Framework to be offered through the Professional Development initiatives in Human Resources. Internal Audit offers facilitated internal control self-assessments as a service for the campus, as well as continues campus outreach and presentations to reach new audiences and introduce new concepts.

*External Audit Coordination:* Internal Audit is charged with coordinating and providing oversight for other control and monitoring functions, including external audit. Moss Adams, LLP is the external firm responsible for the university's financial statement audit, single audit, and NCAA agreed upon procedures. During the past quarter, Internal Audit met with Moss Adams to continue collaboration and information sharing. Internal Audit also assisted Sponsored Project Services with the R&D Single Audit conducted by Moss Adams.

#### **ADMINISTRATIVE**

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Internal Audit continues to work on the Strategic Plan implementation schedule. Outreach on campus and involvement in national organizations were conducted during the prior quarter. Implementation of internal control, risk, compliance and fraud trainings and resource templates for units are in progress.

## **Research and Development Audit Update and Next Steps**

In its FY 2018 audit of Research and Development, Moss Adams found that the university had submitted late financial reports to the federal sponsors. The purpose of this document is to update the Board of Trustees on management's response to this audit finding.

The Office of the Vice President for Research and Innovation (OVPRI) and its Sponsored Project Services (SPS) have addressed the immediate issues associated with the audit finding as well as used this as an opportunity to review our policies and procedures and undertake additional planning and preparation for our next audit.

All late reports have been submitted, and there were no new late reports in December or January.

Addressing the immediate issue of late reports:

- SPS retrained staff.
- SPS implemented new controls to track report workload and submissions.
- OVPRI is reprogramming our electronic system to provide improved deadline tracking, automated reminders, and new report tools.

Reviewing policies and procedures and increasing training:

- SPS and Internal Audit (IA) are working closely to conduct a review of current procedures and practice to identify any opportunities for improvement.
- SPS has increased training of SPS staff as well as grants management staff in the departments, centers, and institutes. This increased training will be on-going.

Preparing for the next audit:

- IA conducted an all-staff training at SPS about the purposes of an audit and the roles, responsibilities, and expectations of various stakeholders.
- IA, Business Affairs Office (BAO), OVPRI, and SPS are developing new procedures for engaging with external auditors to increase clarity regarding 1) roles and responsibilities, 2) clear communication, and 3) responsiveness.

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**Agenda Item #4**  
**ZIRC Renovation Project**

The Board of Trustees is asked to consider approval of a capital project involving renovations of the UO's Zebrafish International Resource Center (ZIRC) facility. The project will be in excess of \$5 million, thus requiring board approval.

As communicated to trustees via email, President Schill invoked the delegation of authority clause, allowing him to act when consideration by the board is impractical. He approved the ZIRC team's grant application, which was submitted on Friday, March 1. It included a statement that the university supports and intends to embark on this project. The board is now asked to ratify that decision.

Traditionally a capital project would come before the board slightly later in the planning process, after engineering and other cost estimates can be completed in a more accurate fashion. However, we believe board approval now, before robust review of the grant at the federal level, is important to its success. Campus Planning and ZIRC staff have worked to create the best possible estimates both for your approval and the grant.

The project is supported by ZIRC, the Institute of Neuroscience, the College of Arts and Sciences, the Vice President for Research and Innovation, and the Provost. The below information is provided by Monte Westerfield, Professor of Biology and a member of the UO's Institute of Neuroscience.

### **ZIRC History**

Biomedical research using zebrafish began at the University of Oregon in the 1970's with the pioneering work of George Streisinger. Today, more than 1,000 laboratories in 41 countries use zebrafish to model human biology and disease, as well as to study basic principles of biology. The UO is known world-wide as the birthplace of zebrafish research. Today, in addition to 8 zebrafish research laboratories, UO is home to the Zebrafish International Resource Center (ZIRC) and the Zebrafish Information Network (ZFIN), two unique resources that serve vital functions for the international research community.

With the growth of zebrafish research and, particularly, the invention of powerful genetic techniques for studying gene function, it became apparent by the mid-1990's that the research community needed a centralized resource for storing genetic stocks of zebrafish. In response to this need, we established ZIRC on the University of Oregon campus in 1998 as the resource to maintain and distribute genetic lines of zebrafish and other research materials to the international biomedical research community. ZIRC also conducts husbandry research and provides diagnostic health, veterinary, and husbandry services. We currently have more than 40,000 genetic lines of zebrafish. Scientists visit ZIRC to be trained in sperm freezing, husbandry, and health program development. ZIRC has distributed more than a million animals to laboratories in the USA and more than 25 other countries. ZIRC has been granted the status of National Biomedical Models Research Center by the National Institutes of Health (NIH).

Core funding for ZIRC comes from an NIH grant with an annual budget of \$2 million, generating more than \$500,000 F&A for the UO every year. It also typically has 1-2 research grants at ~\$100,000 each per year. Sales and services generate about \$500,000 in additional annual income. ZIRC employs 19 full-time employees and many undergraduate student workers who often go on to successful careers in biology or medicine.

The ZIRC building was constructed in 1999. The bulk of the funds were provided by State of Oregon bonds. An NIH infrastructure construction grant provided additional money. Funding was sufficient to construct a 10,000 square foot building with an aquarium room for fish, a small laboratory, a quarantine room, and offices for up to 9 employees. As our needs have grown, we have moved some of our staff into a nearby World War II era Quonset hut. Current operations and animal support are limited by space constraints.

### **Project Overview**

The UO now has a unique opportunity to obtain a second NIH infrastructure construction grant that will support renovation and expansion of the ZIRC building. The grant will also provide funds to replace and upgrade much of our 20-year-old aquaculture equipment, research space, and biosafety. We have enlisted a local architecture firm that has extensive experience with zebrafish facility design and construction, including recent renovation of the Huestis Hall zebrafish research facility on the UO campus that was also funded by an NIH infrastructure construction grant. We have a solid construction plan and quotes for equipment.

**Goal 1:** We will modernize zebrafish life support systems. We will replace the 4 inefficient, below-capacity water systems with modern, high-efficiency systems on a smaller footprint. The new systems will hold more water and will have higher flow-rates with automated water speed and flow control. A bridge crane and increased aquaculture space will also generate better access to water conditioning equipment and enable optimal maintenance and repair. The addition of aquaculture support/auxiliary spaces and remodeling of the main fish room with 4 new isolated fish racks will enhance personnel safety, operational flexibility, and genotyping capacity.

**Goal 2:** We will improve equipment sanitation. We will triple equipment cleaning throughput by expanding the washer room and adding a walk-in washer. This will allow parallel processing of more equipment per day. To quadruple the throughput and for better biosecurity considerations, we will add 4 undercounter washers in the main fish room and in spaces outlined in goal 3. This will help separate more effectively animal operations with varying health status levels and will isolate the new quarantine space from the rest of the facility.

**Goal 3:** We will increase quarantine space and throughput of fish imports. We will construct an additional quarantine space with combined flow-through and recirculating water capability. This will enable simultaneous processing of fish imports from outside facilities with various biosecurity levels with individualized quarantine strategies and prevent backlogs for the importation pipeline.

Goal 4: We will modernize the building infrastructure to address current operational bottlenecks. We will expand laboratory space to isolate the bench space for fish diagnostic services and to double the number of PCR thermal cyclers used for line genotyping. We will expand the cryogenic freezer space to hold up to 15 freezers (currently 7). We will add a new IT office to improve staff interaction and efficiency of database development.

**Estimated Costs and Source(s) of Funds**

\$8 million – NIH C06 grant and approximately \$560,000 from the Office of the Vice President for Research and Innovation, to cover construction-associated costs that the NIH will not cover.

**Anticipated Timeline**

March 1, 2019 – grant submission to NIH  
May-June, 2019 – NIH scientific merit review  
October, 2019 – NIH Advisory Council Review  
October 1, 2019 – earliest start date  
January 1, 2020 – start of construction  
January 1, 2021 – possible completion date

**Finance and Facilities Committee  
Board of Trustees of the University of Oregon**

**Resolution: Preliminary Approval for ZIRC Renovation**

Whereas, the University of Oregon is committed to providing faculty with physical space necessary to conduct scholarship and research;

Whereas, The UO is home to the Zebrafish International Resource Center (ZIRC), constructed in 1999 and which helps solidify the UO's ongoing reputation as the global pioneer and leader in zebrafish-based research;

Whereas, the UO has applied for a grant offered by the National Institutes of Health (NIH) to pay for nearly all of the costs associated with needed renovations to the ZIRC facility;

Whereas, the Board wishes to demonstrate its support for ZIRC and the associated grant proposal;

Whereas, ORS 352.107(1)(k) grants the University of Oregon the authority to engage in the construction, development, furnishing, equipping, and other actions relating to buildings and structures;

Whereas, University of Oregon policies require approval by the Board of Trustees for a capital project budget that is anticipated to exceed \$5,000,000;

Whereas, the approximate cost of this project is \$8,000,000, which would be covered primarily by the aforementioned grant with some additional support from available resources in the Office of the vice President for Research and Innovation (for moderate costs not expendable under the grant); and,

Whereas, the Board's Policy on Committees authorizes the Finance and Facilities Committee to refer matters to the full Board as a seconded motion;

Now, therefore, the Finance and Facilities Committee hereby refers to the Board of Trustees as a seconded motion the following, recommending passage:

RESOLVED, the Board of Trustees of the University of Oregon hereby authorizes the President and his designee(s) to take all actions necessary and proper to obtain grant funding from the NIH for purposes of renovating the ZIRC facility and begin appropriate associated planning for the project. The project is considered preliminarily approved, but the President or his designee(s) are expected to report back to on the project's development and seek final approval of the overall budget once established. If the grant is not obtained, all approvals herein are revoked.

*--Vote Recorded on the Following Page--*

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

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

<b>Trustee</b>	<b>Yes</b>	<b>No</b>
Aaron		
Bragdon		
Colas		
Gonyea		
Kari		
Murray		
Schill		

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

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



# Zebrafish International Resource Center (ZIRC)

Research Restoration and Expansion

## PROJECT DESCRIPTION

Biomedical research using zebrafish began at the University of Oregon in the 1970's. Today, more than 1000 laboratories in 41 countries use zebrafish to model human biology and disease, as well as to study basic principles of biology. UO is known worldwide as the birthplace of zebrafish research.

In addition to 8 zebrafish research laboratories, UO is home to the Zebrafish International Resource Center (ZIRC) and the Zebrafish Information Network (ZFIN), two unique resources that serve vital functions for the international research community.

The National Institute of Health (NIH) has announced an up to \$8M CO6 construction grant to support the modernization of existing or new infrastructure for biomedical research facilities. This opportunity would allow for the modernization of the existing 10,000 square foot ZIRC building that was constructed in 1999. Grant funding would also allow for the replacement of the 20-year-old aquaculture equipment systems

### Objectives

- Replace existing water pump and filtration equipment (aquaculture) that supports main fish room.

## PLANNED PROJECT

- Expand the existing ZIRC building to create more efficient support spaces and increase their operational capacity. Building expansion will be up to approximately 3,000 sf.
- Incorporate an additional quarantine room that would double current capacity.
- Improve equipment cleaning throughput and efficiency with new equipment and improvements to the circulation of dirty and clean equipment.
- Add space for cryogenic freezers to increase long-term resource storage.
- Upgrade building mechanical, plumbing, and electrical systems to support new equipment and spaces, as required.
- Utilize a modular layout for lab and procedure zone to simplify future potential renovations.

### Project Status

Grant application is being prepared for the March 4, 2019 deadline. The NIH is anticipating a notice of award on October 1, 2019.

## PROJECT STATS



**Project Type:** Equipment and Building Renovation and Expansion

**Space Type:** Research

**Project Square Footage:** 10,470

**Anticipated Budget:** \$8.56M

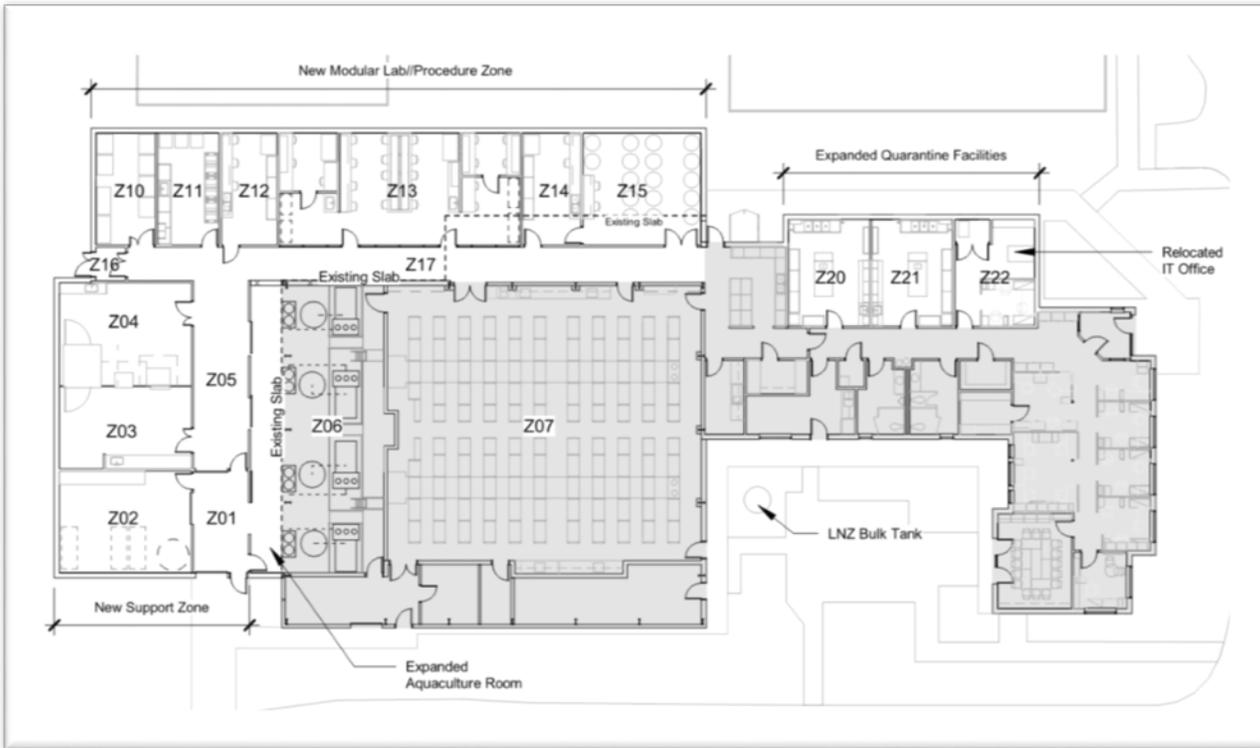
**Funding Source(s):**

\$8M - CO6 Grant (Grant allowable)

\$.56M – VPRI (Non-grant allowable)

**Expected Project Duration:** 3-4 years

FLOOR PLANS



**Top:** Proposed floor plans. Non-shaded areas represent changes to the existing floor plans.

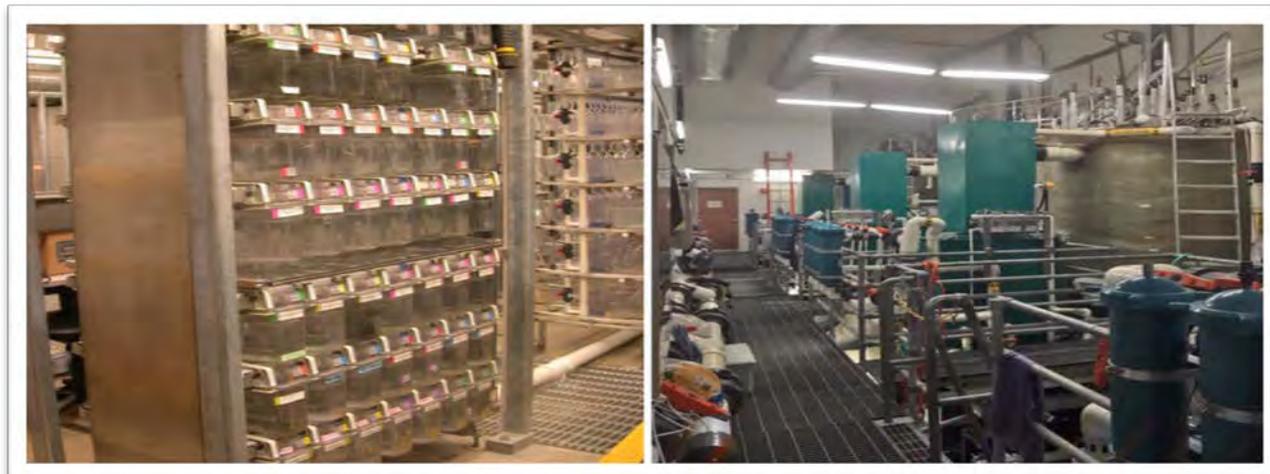
**Middle Top Row:** Wild-type strain (female left, male right).

**Middle Center Row:** Double mutant strain with long fins and leopard dots instead of stripes (female left, male right).

**Middle Bottom Row:** ZIR- invented double pigment mutant that makes adult fish transparent for better observation of fluorescence and organs (female left, male right).

**Bottom Left:** Rack with 1-gallon zebrafish tanks.

**Bottom Right:** ZIRC aquaculture equipment room.



# ZEBRAFISH INTERNATIONAL RESOURCE CENTER

