



December 9, 2019

TO: The Board of Trustees of the University of Oregon
FR: Angela Wilhelms, Secretary
RE: Notice of Finance and Facilities Committee Meeting

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: the quarterly finance report; the quarterly and annual treasury reports; authorization for revenue bond issuance; the capital planning annual report; and the FY2019 audited financials and the FY2019 external audit report.

The meeting will occur as follows:

Monday, December 9, 2019 at 1:15 p.m.
Ford Alumni Center | Giustina Ballroom

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

The Ford Alumni Center is located at 1720 East 13th Avenue, Eugene, Oregon. Sign language for the deaf or hard of hearing should be requested at least 48 hours in advance of the posted meeting time by contacting Jennifer LaBelle at (541) 346-3166 or emailing trustees@uoregon.edu. Please specify the sign language preference.

BOARD OF TRUSTEES

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

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**Board of Trustees | Finance and Facilities Committee
Public Meeting | December 9, 2019 | 1:15 p.m.
Ford Alumni Center | Giustina Ballroom**

Convene

- Call to order, roll call
- Approval of September 2019 FFC minutes (Action)

1. Quarterly Finance and Annual Treasury Reports: Jamie Moffitt, Vice President for Finance and Administration and CFO; Kelly Wolf, Associate Vice President and Controller

2. Fiscal Year 2019

2.1 Audited Financial Statements: Jamie Moffitt, Vice President for Finance and Administration and CFO; Kelly Wolf, Associate Vice President and Controller

2.2 Fiscal Year 2019 External Audit Report: Scott Simpson, Partner at Moss Adams LLP

3. Bond Authorization Request (Action): Jamie Moffitt, Vice President for Finance and Administration and CFO; Je Kelly Wolf, Associate Vice President and Controller

4. Annual Capital Planning Report and Forecast: Mike Harwood, Associate Vice President for Campus Planning and Facilities Management

Meeting Adjourns



Agenda Item #1

Quarterly Finance Report Quarterly + Annual Treasury Reports

Note: For the Board's annual treasury update, among other documents attached, this packet includes a copy of the latest treasury management procedures indicating any changes since last year's update. For file size purposes, this redline is an excerpt-view only showing modified sections. Further, the full Treasury Management Policy is not reproduced here for. Both are available via request or online at <https://ba.uoregon.edu/content/treasury-operations>.



Finance Summary: Education and General Qtr1 FY2020

CFO's Key Takeaways

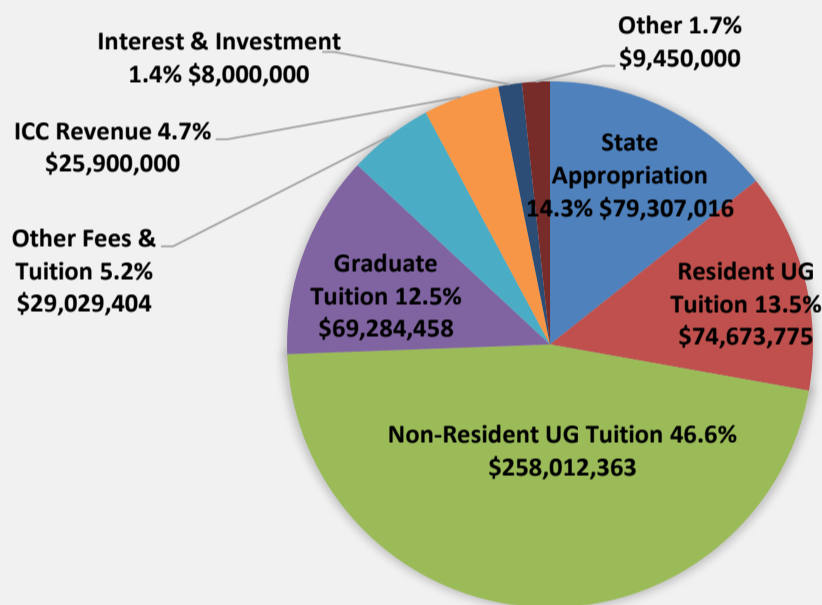
- Updated Q1 projection shows a current estimated shortfall of \$10.3M. This is up from the initial projected forecasted shortfall of \$6.8M.
- Q1 projection shortfall increase due to \$4M drop in expected tuition revenue
- Projected FY20 end-of-year E&G fund balance is dropping from \$53.1M (Initial projection) to \$49.5M (Q1 projection).

Education and General Fund Qtr1 - Projection Status

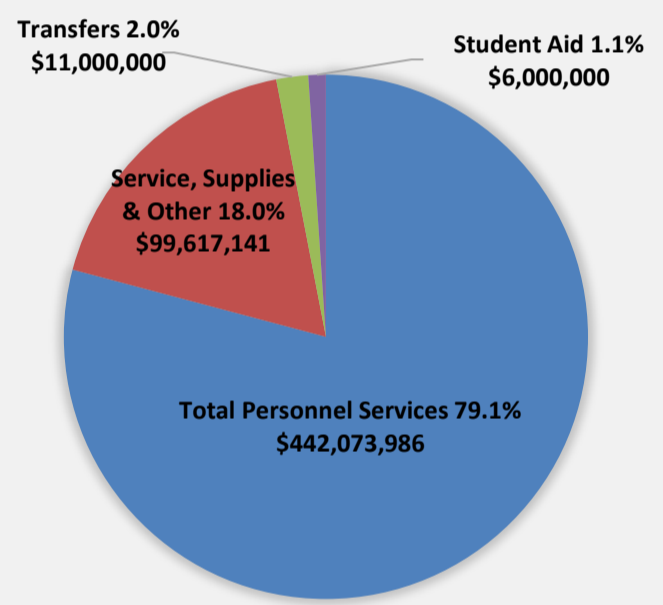
Category	FY20 Initial Projection	FY20 Q1 Revised Projection	FY20 Q1 Proj vs FY19 Act	FY20 Q1 Actuals vs FY19 Q1	Status	Revised Q1 Proj vs FY19	Notes
State Appropriation	\$78,872,041	\$79,307,016	8.5%	8.4%	On track	9.1%	• Projection increased by \$435K due to additional HECC ante up
Tuition and Fees	\$435,000,000	\$431,000,000	4.0%	1.4%	Down	3.0%	• Tuition projection decrease \$4M due to drop in International Students and increased graduation rates. Q1 timing issues exist due to late start of fall term.
ICC Revenue	\$25,900,000	\$25,900,000	5.2%	6.4%	Slightly Up	5.2%	• ICC revenue up due to increased grant activity and higher effective rate, no change to projection at this time
Interest and Investment	\$8,000,000	\$8,000,000	10.2%	25.9%	Up	10.2%	• Significant timing changes related to rate adjustments and internal distributions
Personnel Services	\$442,073,986	\$442,073,986	4.0%	4.4%	On track	4.0%	
Service & Supplies	\$118,215,141	\$118,215,141	3.5%	22.0%	Up	3.5%	• Significant timing issues

Education & General Funds - Total Dollars

FY20 E&G Q1 REVENUE PROJECTIONS

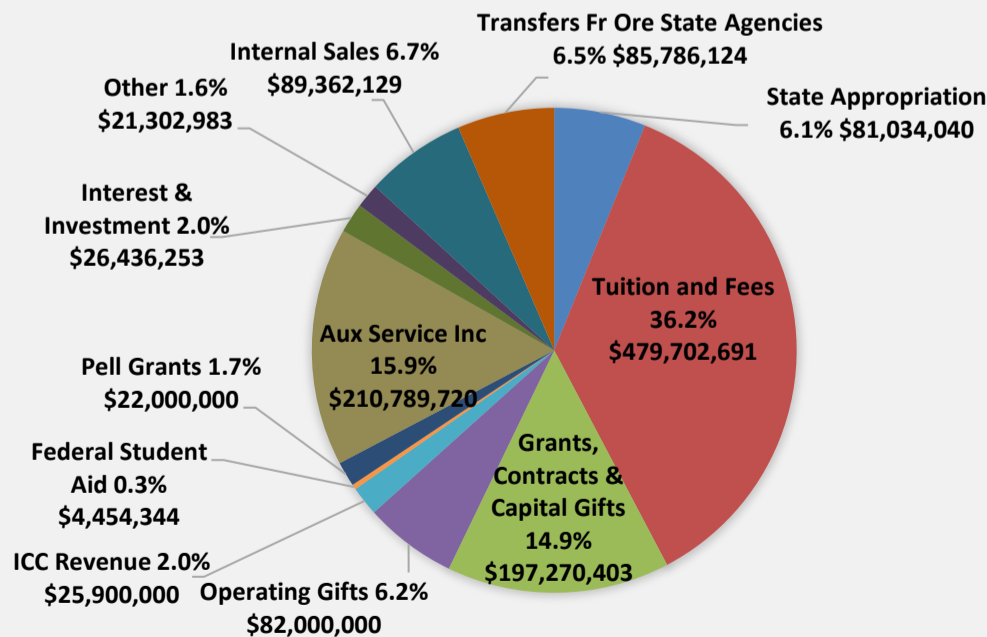


FY20 E&G Q1 EXPENSE PROJECTIONS

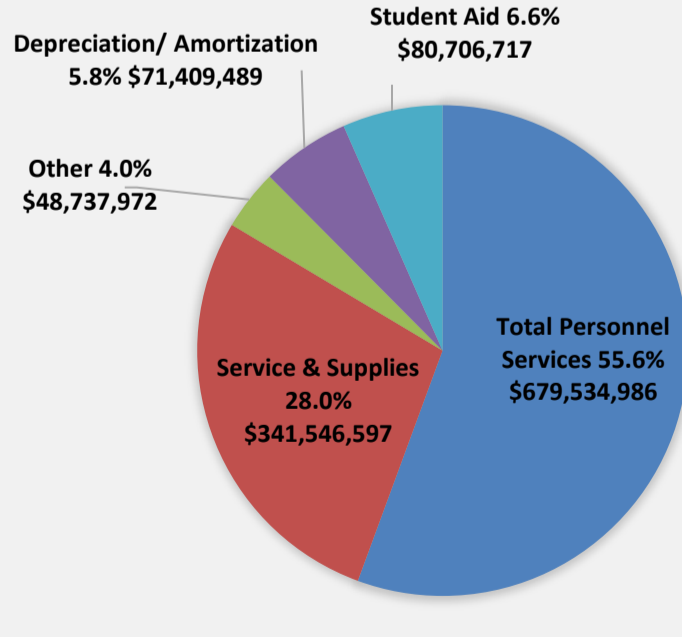


All Funds - Total Dollars

FY20 Q1 REVENUE PROJECTIONS



FY20 Q1 EXPENSE PROJECTIONS



Student Aid Expense does not include \$44.5M of fee remissions awarded to students. Remissions are booked as negative revenue.

Capital Expenditures not included



UNIVERSITY OF OREGON

Financial and Treasury Quarterly Report Summary

December 2019

Board of Trustees of the University of Oregon

Agenda

- Quarterly financial report
- Quarterly treasury report

Quarterly Financial Report – CFO Key Takeaways

- Updated Q1 projection shows a current estimated shortfall of \$10.3 million. This is up from the initial projected forecast shortfall of \$6.8 million.
- Q1 projection shortfall increase due to \$4 million drop in expected tuition revenue
- Projected FY20 end-of-year E&G fund balance is dropping from \$53.1 million (initial projection) to \$49.5 million (Q1 projection)

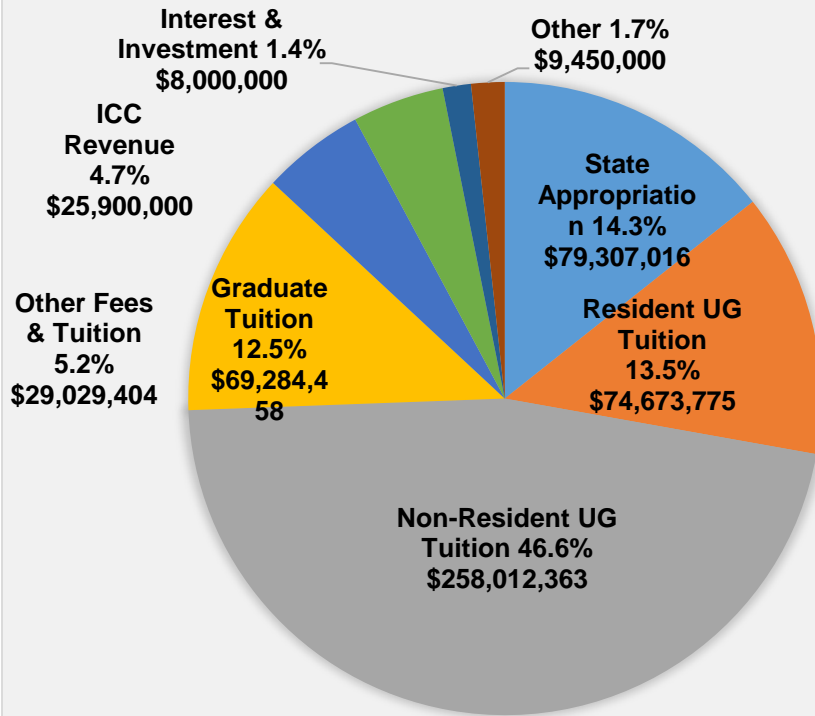
Quarterly Financial Report - Dashboard

Education and General Fund – Q1 Projection Status

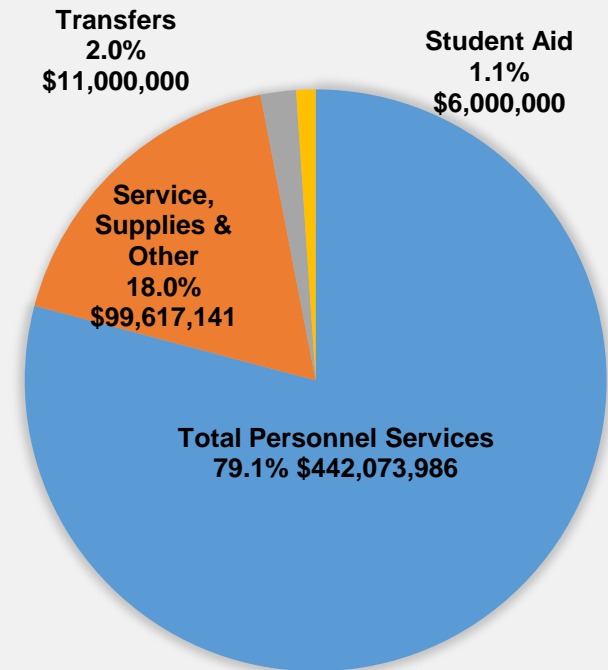
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ICC Revenue	\$25,900,000	\$25,900,000	5.2%	6.4%	Slightly Up	5.2%	• ICC revenue up due to increased grant activity and higher effective rate, no changes to projections at this time
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Quarterly Financial Report – E&G Fund Revenue and Expense Breakdown

FY20 E&G Q1 REVENUE PROJECTIONS



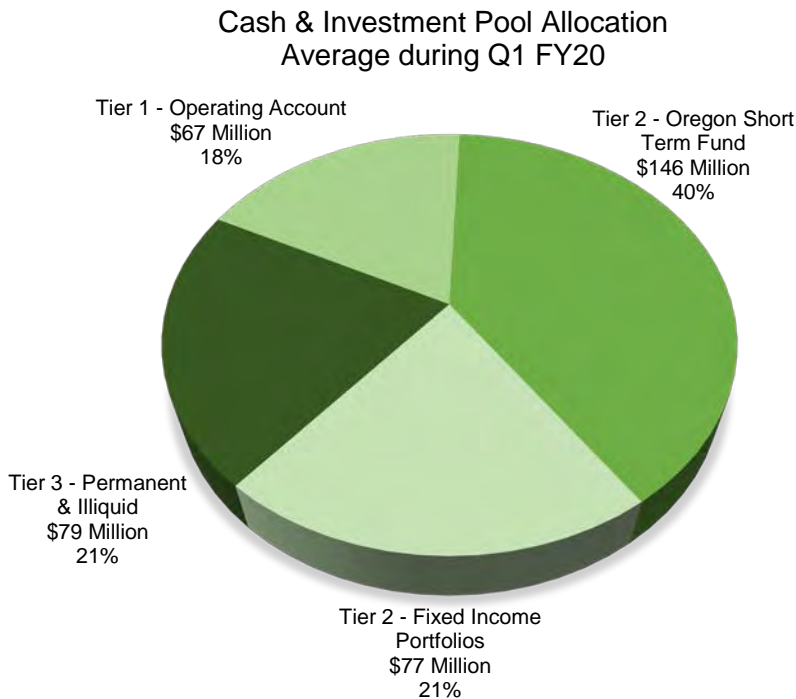
FY20 E&G Q1 EXPENSE PROJECTIONS



Treasury Report: cash and investment balances continue to follow historical trends



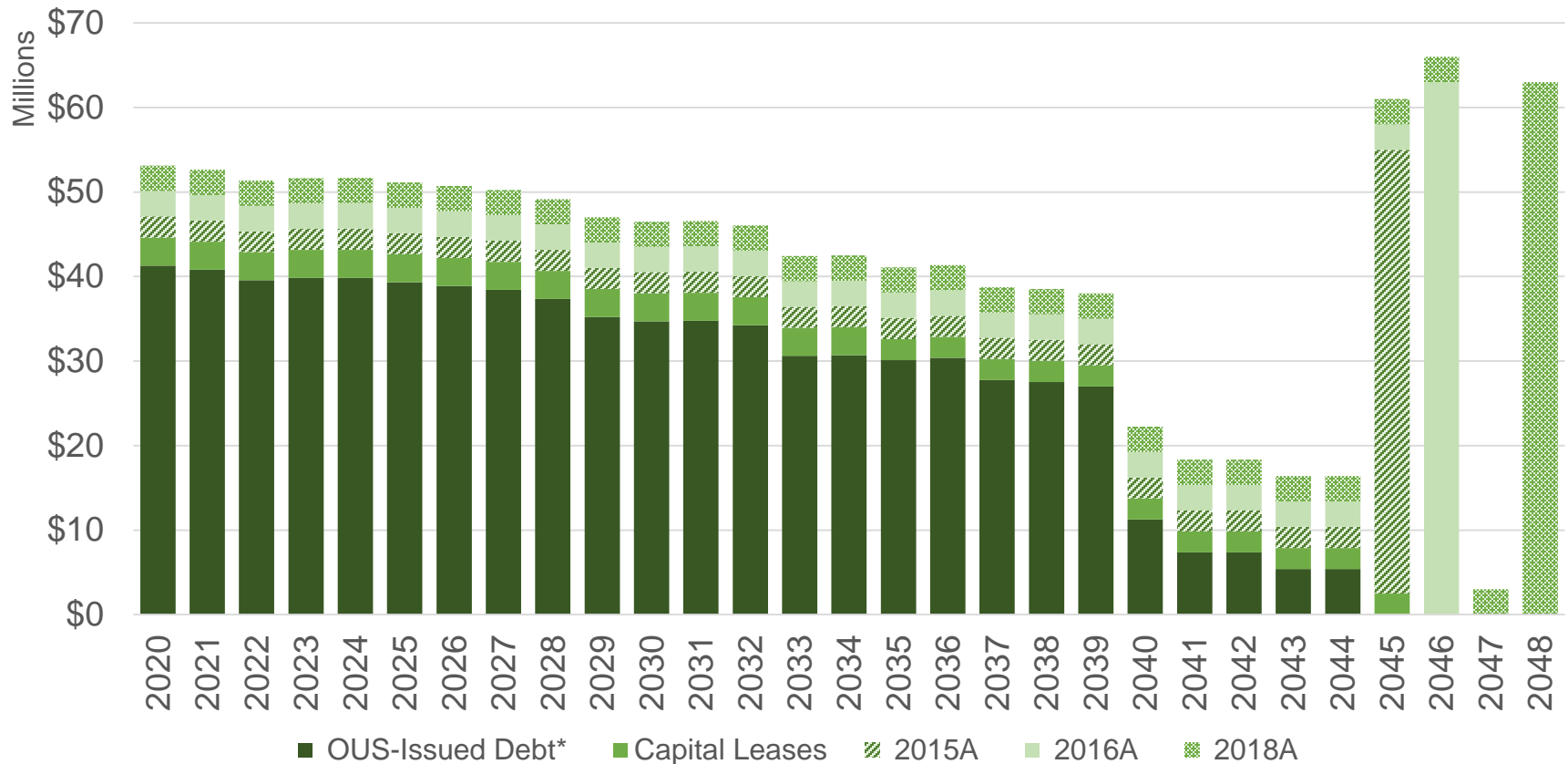
Treasury Report: report of action on investment downgrade: Ford Motor Credit Co.



- The procedures state: *“Should a subsequent event cause a security or the investment portfolio to no longer meet the specifications of the Investment Procedures, the Treasurer will determine the appropriate course of action and report this activity to the Finance & Facilities Committee.”*
- UO Treasury management procedures require all corporate debt to be rated at least Baa3.
- On 9/9/19 Moody’s downgraded the debt rating of Ford Motor Company from Baa3 to Ba1, citing “considerable operating and market challenges”.
- UO currently owns two Ford investments:
 - \$275,000 Par, 3/27/2020 maturity, 2.46% coupon, unrealized loss at 9/30/19: \$572
 - \$225,000 Par, 3/28/2022 maturity, 3.34% coupon, unrealized loss at 9/30/19: \$1,926
- Based on independent analyses and recommendations from the two portfolio managers, the decision was made to continue to hold the securities rather than sell

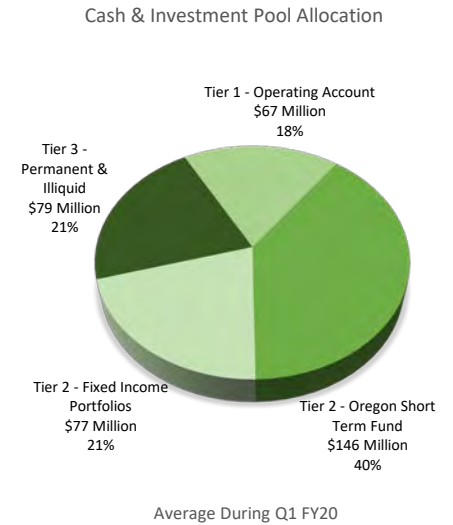
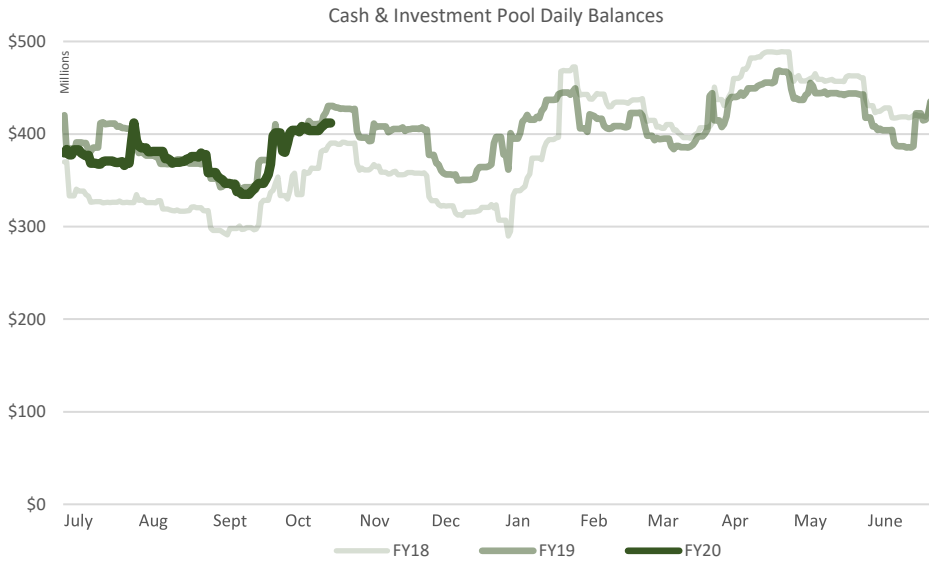
Treasury Report: debt service remains unchanged from FY19 and proceeds from internal loans will payoff scheduled bullets.

Debt Service



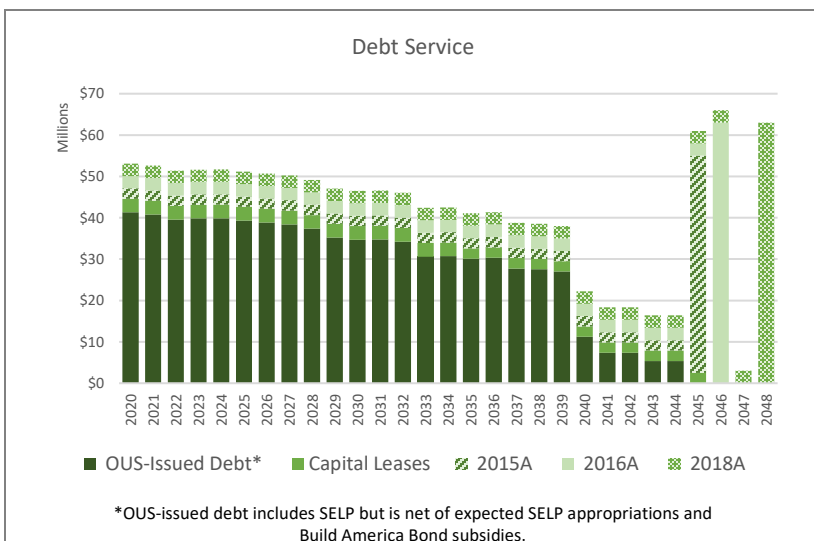
*OUS-issued debt includes SELP but is net of expected SELP appropriations and Build America Bond subsidies.

Cash & Investment Pool



- The cash & investment pool averaged \$369 million during Q1 FY20. Average balances for the quarter were approximately \$7 million less than the previous fiscal year, largely due to bond proceeds being spent over the course of the year.
- Estimated average book yield for the cash & investment pool was 2.23% for Q1 FY20. In FY19 the Q1 yield was 1.89%.
- UO’s Treasury Management Procedures state that all corporate debt investments are required to have a rating of at least Baa3/BBB- at the time of purchase and that subsequent rating events that bring an investment below this threshold must be reported to the Finance & Facilities committee. In September, Moody’s downgraded Ford Motor Credit Co. from Baa3 to Ba1, bringing two UO investments in Ford below UO investment procedures minimum rating threshold. Based on recommendations from the two portfolio managers, the decision was made to continue to hold these investments instead of selling immediately, which would likely generate a net loss. Additional information on the two investments is as follows:
 - \$275,000 Par value, 3/27/2020 maturity, 2.46% coupon, unrealized loss at 9/30/19: \$572
 - \$225,000 Par value, 3/28/2022 maturity, 3.34% coupon, unrealized loss at 9/30/19: \$1,926

Debt Activities



Significant Projects Funded Using Debt & Capital

- | | |
|---|---|
| <p>Leases</p> <p>UO 2018A</p> <ul style="list-style-type: none"> • Bean Hall • Oregon Hall • Health Center <p>UO 2016A</p> <ul style="list-style-type: none"> • Kalapuya Ilihi Hall • Pacific Hall • Klamath Hall, 3rd Floor <p>UO 2015A</p> <ul style="list-style-type: none"> • Erb Memorial Union <p>Capital Leases</p> <ul style="list-style-type: none"> • White Stag (Portland) • 1600 Millrace | <p>OUS-Issued Debt</p> <ul style="list-style-type: none"> • 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 |
|---|---|

- The current principal balance of outstanding debt, including capital leases, is approximately \$698 million.
- The next revenue bond sale is expected to occur during fiscal year 2020.
- Bond proceeds are loaned internally for capital projects. Borrowers are scheduled to repay their loans prior to the bullet payments due in 2045, 2046, and 2048 to ensure that the Internal Bank will have sufficient cash for those bullet payments.

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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	\$75.5 MM
INVESTED CAPITAL	\$68.2 MM
CASH (FOR DIST. AND CALLS)	\$7.3 MM
DISTRIBUTIONS FYTD	\$1.3 MM

RELATIVE PERFORMANCE

	QTR	FYTD	1 YR	3 YR	5 YR	10 YR	STD. DEV.	SHARPE
T3 INVESTED CAPITAL	4.0%	9.4%	9.4%	N/A	N/A	N/A	8.0%	1.3
60/40 STOCK/BOND BENCHMARK	3.5%	7.0%	7.0%	8.0%	5.1%	7.9%	7.6%	1.0
CPI-U + D% + 1% BENCHMARK	2.0%	6.7%	6.7%	7.1%	6.5%	6.8%	N/A	N/A

PORTFOLIO COMMENTARY

The second quarter of 2019 was characterized by a broad domestic-equity market rally. Our domestic-equity managers' returns equaled or exceeded the broader S&P 500 returns of 4.3%. International developed and emerging market managers performance lagged domestic markets. All but one of our nine managers supported this past fiscal year's performance. I am please to report, according to our custodial bank where these funds are domiciled, that the T3 portfolio generated the highest return in the bank's universe of institutions!

T3 Portfolio

ESTIMATED PORTFOLIO DETAILS

POLICY WEIGHTS

	TARGET	RANGE	ACTUAL
EQUITY	70%	50-75%	73%
FIXED INCOME	30%	25-50%	27%

SECTOR — NET EXPOSURE

CONSUMER	11%
POWER	4%
FINANCIALS	10%
HEALTHCARE	5%
INDUSTRIALS	9%
INFOTECH & TELECOM	27%
REAL ESTATE	<1%
SOVEREIGN DEBT	1%
OTHER	4%

COMMITMENT SCHEDULE

COMMITMENT	CAPITAL CALLED	DISTRIBUTIONS	MARKET VALUE
\$4,000,000	\$2,480,000	\$0	\$2,455,840

SECURITY TYPE — T3 PORTFOLIO

	LONG	SHORT	GROSS	NET
GLOBAL EQUITY	57%	-6%	63%	51%
<i>LONG ONLY</i>	35%	0%	35%	35%
<i>LONG SHORT</i>	22%	-6%	28%	16%
DEBT	21%	-2%	23%	19%
<i>SOVEREIGN</i>	1%	0%	1%	1%
<i>CORPORATE</i>	20%	-2%	22%	18%
TOTAL T3 PORTFOLIO	77%	-8%	85%	77%

GEOGRAPHY — NET EXPOSURE

UNITED STATES	37%
DEVELOPED, NON-US	28%
EMERGING MARKETS	3%
FRONTIER MARKETS	2%

MARKET CAP — NET EXPOSURE*

LARGE	22%
MID	12%
SMALL	17%

*Excludes debt

FY19 Actuals Quarter 4 Report-Prelimin: All Funds except Agency and Clearing

	Designated				Restricted Gift				Total	Reporting Adj.	Total
	Education and General	Ops and Service Center	Auxiliaries	Grant Funds	Funds	Other Funds	Plant Funds	Internal Bank			
State Appropriation	\$ 72,712,010	\$ 1,170,784	\$ 452,924	\$ 61,762	\$ -	\$ -	\$ -	\$ -	\$ 74,397,481		
Tuition and Fees	\$ 418,454,072	\$ 171,673	\$ 41,939,915	\$ -	\$ 100	\$ -	\$ -	\$ 3,117,759	\$ 463,683,518		
Gifts Grants & Contracts	\$ 323,334	\$ 6,120,403	\$ -	\$ 126,069,217	\$ 81,903,035	\$ -	\$ 61,472,740	\$ -	\$ 275,888,729		
ICC Revenue	\$ 24,619,477	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,619,477		
Federal Student Aid	\$ -	\$ -	\$ -	\$ 25,683,829	\$ -	\$ -	\$ -	\$ -	\$ 25,683,829		
Interest and Investment	\$ 7,259,112	\$ 13,927,936	\$ 84,592	\$ 66	\$ 83,985	\$ 538,317	\$ 649,020	\$ 11,438,358	\$ 33,981,386		
Internal Sales	\$ 2,821,527	\$ 50,383,105	\$ 24,658,015	\$ 65	\$ 200	\$ -	\$ -	\$ 35,409,252	\$ 113,272,164		
Sales & Services	\$ 4,168,451	\$ 12,403,786	\$ 169,938,494	\$ 106,537	\$ -	\$ -	\$ -	\$ -	\$ 186,617,269		
Other Revenues	\$ 2,191,003	\$ 2,676,513	\$ 4,649,001	\$ 12,582	\$ 17,914	\$ -	\$ 562,247	\$ -	\$ 10,109,261		
Transfers From Ore State Agencies	\$ -	\$ -	\$ -	\$ 10,471,965	\$ -	\$ -	\$ 75,627,559	\$ -	\$ 86,099,524		
Total Revenue	\$ 532,548,986	\$ 86,854,200	\$ 241,722,942	\$ 162,406,023	\$ 82,005,234	\$ 538,317	\$ 138,311,566	\$ 49,965,370	\$ 1,294,352,638		
Salaries and Wages	\$ 257,825,362	\$ 23,603,943	\$ 59,405,653	\$ 41,606,255	\$ 17,876,156	\$ -	\$ 10,056	\$ 167,185	\$ 400,494,610		
OPE Health Benefits	\$ 23,011,905	\$ 236,465	\$ 152,012	\$ 1,690,602	\$ 255,643	\$ -	\$ -	\$ -	\$ 25,346,628		
OPE Retirement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
OPE Other	\$ 7,175,151	\$ 75,534	\$ 38,486	\$ 1,041,543	\$ 79,741	\$ -	\$ -	\$ -	\$ 8,410,454		
OPE GTF Remissions	\$ 136,924,333	\$ 17,431,439	\$ 32,187,193	\$ 20,755,825	\$ 10,499,476	\$ -	\$ 2,890	\$ 102,022	\$ 217,903,178		
Total Personnel Services	\$ 424,936,751	\$ 41,347,381	\$ 91,783,343	\$ 65,094,225	\$ 28,711,016	\$ -	\$ 12,946	\$ 269,208	\$ 652,154,869		
Service & Supplies	\$ 114,237,981	\$ 21,259,779	\$ 106,487,401	\$ 30,162,583	\$ 22,800,940	\$ (1,030,455)	\$ 7,620,466	\$ 30,474,379	\$ 332,013,075		
Merchandise-Resale/Redistribution	\$ 4,171	\$ 18,970,194	\$ 13,018,228	\$ -	\$ 222	\$ -	\$ -	\$ -	\$ 31,992,816		
Internal Sales Reimbursements	\$ (18,172,375)	\$ (3,000)	\$ (1,521,269)	\$ (26,463)	\$ -	\$ -	\$ (2,881,709)	\$ -	\$ (22,604,815)		
Indirect Costs	\$ 71,589	\$ 2,955,133	\$ 7,435,758	\$ 24,651,977	\$ -	\$ 298,489	\$ -	\$ -	\$ 35,412,946		
Depreciation/Amortization Expense	\$ -	\$ 4,288,036	\$ 30,801,152	\$ -	\$ -	\$ -	\$ 30,464,025	\$ -	\$ 65,553,212		
Student Aid	\$ 5,882,527	\$ 347,554	\$ 6,527,102	\$ 40,692,062	\$ 24,853,656	\$ 19,794,785	\$ -	\$ -	\$ 98,097,685		
Total General Expense	\$ 102,023,894	\$ 47,817,695	\$ 162,748,373	\$ 95,480,159	\$ 47,654,818	\$ 19,062,819	\$ 35,202,783	\$ 30,474,379	\$ 540,464,919		
Net Transfers Out/(In)	\$ 11,829,666	\$ (2,337,222)	\$ (1,745,741)	\$ (2,953)	\$ 5,578,303	\$ -	\$ (15,460,031)	\$ 2,137,979	\$ -		
Total Expense	\$ 538,790,310	\$ 86,827,854	\$ 252,785,975	\$ 160,571,431	\$ 81,944,136	\$ 19,062,819	\$ 19,755,698	\$ 32,881,565	\$ 1,192,619,788		
Net before CapEx	\$ (6,241,324)	\$ 26,346	\$ (11,063,033)	\$ 1,834,593	\$ 61,098	\$ (18,524,502)	\$ 118,555,868	\$ 17,083,805	\$ 101,732,850		
Beginning Fund Balance	\$ 77,206,732	\$ 58,616,371	\$ 323,394,855	\$ (1,599,304)	\$ 14,532,235	\$ 25,980,293	\$ 569,073,914	\$ 19,911,269	\$ 1,087,116,366		
Capital Expenditures	\$ (5,215,820)	\$ (506,147)	\$ (43,330)	\$ (1,216,504)	\$ (1,901,353)	\$ -	\$ (147,156,559)	\$ -	\$ (156,039,713)		
Net (from above)	\$ (6,241,324)	\$ 26,346	\$ (11,063,033)	\$ 1,834,593	\$ 61,098	\$ (18,524,502)	\$ 118,555,868	\$ 17,083,805	\$ 101,732,850		
Fund Additions/Deductions*	\$ -	\$ 1,934,843	\$ 7,956,595	\$ -	\$ -	\$ -	\$ 147,814,476	\$ -	\$ 157,705,914	\$ (240,614,232)	
Ending Fund Balance	\$ 65,749,587	\$ 60,071,414	\$ 320,245,087	\$ (981,215)	\$ 12,691,981	\$ 7,455,791	\$ 688,287,700	\$ 36,995,073	\$ 1,190,515,418	\$ (240,614,232)	\$ 949,901,186
Year-End Accounting Entries **	\$ (5,916,481)	\$ (426,788)	\$ (1,881,114)	\$ (386,367)	\$ (294,426)	\$ 298,489	\$ -	\$ (6,072)	\$ (8,612,759)		\$ (8,612,759)
Net Capital Assets	\$ -	\$ 26,878,531	\$ 286,085,007	\$ -	\$ -	\$ -	\$ 567,972,885	\$ (2,364,856)	\$ 878,571,567	\$ -	\$ 878,571,567
Other Restricted Net Assets	\$ -	\$ -	\$ -	\$ (1,367,583)	\$ 12,397,555	\$ 7,754,280	\$ 99,142,814	\$ -	\$ 117,927,067	\$ (318,742)	\$ 117,608,325
Unrestricted Net Assets	\$ 59,833,107	\$ 32,766,095	\$ 32,278,966	\$ -	\$ -	\$ -	\$ 21,172,000	\$ 39,353,858	\$ 185,404,026	\$ (240,295,490)	\$ (54,891,465)
Total Net Assets	\$ 59,833,107	\$ 59,644,625	\$ 318,363,973	\$ (1,367,583)	\$ 12,397,555	\$ 7,754,280	\$ 688,287,700	\$ 36,989,002	\$ 1,181,902,659	\$ (240,614,232)	\$ 941,288,428

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

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

FY20 Initial Projection - All Funds except Agency and Clearing

	Designated Ops				Restricted Gift				Total
	Education and General	and Service Center	Auxiliaries	Grant Funds	Funds	Other Funds	Plant Funds	Internal Bank	
State Appropriation	\$ 78,872,041	\$ 1,212,024	\$ 453,200	\$ 61,800	\$ -	\$ -	\$ -	\$ -	\$ 80,599,065
Tuition and Fees	\$ 435,000,000	\$ 805,049	\$ 44,897,642	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000	\$ 483,702,691
Gifts Grants & Contracts	\$ 150,000	\$ 6,120,403	\$ -	\$ 129,000,000	\$ 82,000,000	\$ -	\$ 62,000,000	\$ -	\$ 279,270,403
ICC Revenue	\$ 25,900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,900,000
Federal Student Aid	\$ -	\$ -	\$ -	\$ 26,454,344	\$ -	\$ -	\$ -	\$ -	\$ 26,454,344
Interest and Investment	\$ 8,000,000	\$ 13,927,936	\$ 85,000	\$ 10,000	\$ 300,000	\$ 538,317	\$ 650,000	\$ 2,925,000	\$ 26,436,253
Internal Sales	\$ 2,900,000	\$ 50,861,929	\$ 24,923,088	\$ -	\$ 200	\$ -	\$ -	\$ 35,600,000	\$ 114,285,217
Sales & Services	\$ 4,200,000	\$ 11,765,372	\$ 181,217,631	\$ 106,537	\$ 63,160	\$ -	\$ -	\$ -	\$ 197,352,700
Other Revenues	\$ 2,200,000	\$ 2,800,000	\$ 4,649,001	\$ -	\$ 17,914	\$ -	\$ 500,000	\$ -	\$ 10,166,915
Transfers From Ore State Agencies	\$ -	\$ -	\$ -	\$ 10,786,124	\$ -	\$ -	\$ 75,000,000	\$ -	\$ 85,786,124
Total Revenue	\$ 557,222,041	\$ 87,492,713	\$ 256,225,562	\$ 166,418,805	\$ 82,381,274	\$ 538,317	\$ 138,150,000	\$ 41,525,000	\$ 1,329,953,713
Salaries and Wages	\$ 263,082,505	\$ 24,352,580	\$ 61,592,717	\$ 42,708,820	\$ 17,668,264	\$ -	\$ -	\$ 183,950	\$ 409,588,837
OPE Health Benefits	\$ 147,929,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,050	\$ 148,028,050
OPE Retirement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OPE Other	\$ -	\$ 19,493,213	\$ 35,839,965	\$ 21,200,611	\$ 11,024,450	\$ -	\$ -	\$ -	\$ 87,558,238
OPE GTF Remissions	\$ 31,062,481	\$ -	\$ 150,000	\$ 2,811,378	\$ 335,384	\$ -	\$ -	\$ -	\$ 34,359,242
Total Personnel Services	\$ 442,074,000	\$ 43,846,000	\$ 97,583,000	\$ 66,721,000	\$ 29,028,000	\$ -	\$ -	\$ 283,000	\$ 679,535,000
Service & Supplies	\$ 118,215,141	\$ 20,749,503	\$ 110,543,715	\$ 30,837,297	\$ 22,800,940	\$ 100,000	\$ 7,650,000	\$ 30,650,000	\$ 341,546,597
Merchandise-Resale/Redistribution	\$ 2,000	\$ 18,356,319	\$ 13,118,491	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,476,810
Internal Sales Reimbursements	\$ (18,700,000)	\$ (244,010)	\$ (1,103,000)	\$ (26,643)	\$ -	\$ -	\$ -	\$ -	\$ (20,073,653)
Indirect Costs	\$ 100,000	\$ 2,680,205	\$ 8,379,610	\$ 25,900,000	\$ -	\$ 275,000	\$ -	\$ -	\$ 37,334,815
Depreciation/Amortization Expense	\$ -	\$ 4,265,121	\$ 33,005,757	\$ -	\$ -	\$ -	\$ 34,138,611	\$ -	\$ 71,409,489
Student Aid	\$ 6,000,000	\$ 708,972	\$ 1,350,645	\$ 42,372,131	\$ 27,074,969	\$ 3,200,000	\$ -	\$ -	\$ 80,706,717
Total General Expense	\$ 105,617,141	\$ 46,516,110	\$ 165,295,218	\$ 99,082,786	\$ 49,875,909	\$ 3,575,000	\$ 41,788,611	\$ 30,650,000	\$ 542,400,775
Net Transfers Out(In)	\$ 11,000,000	\$ (2,556,146)	\$ (1,925,822)	\$ -	\$ 5,974,303	\$ -	\$ (14,284,129)	\$ 1,791,794	\$ -
Total Expense	\$ 558,691,141	\$ 87,805,964	\$ 260,952,396	\$ 165,803,786	\$ 84,878,212	\$ 3,575,000	\$ 27,504,482	\$ 32,724,794	\$ 1,221,935,775
Net before CapEx	\$ (1,469,100)	\$ (313,251)	\$ (4,726,834)	\$ 615,019	\$ (2,496,938)	\$ (3,036,683)	\$ 110,645,518	\$ 8,800,206	\$ 108,017,938
Beginning Fund Balance	\$ 59,833,107	\$ 59,644,625	\$ 318,363,973	\$ (1,367,583)	\$ 12,397,555	\$ 7,754,280	\$ 688,287,700	\$ 36,989,002	\$ 1,181,902,659
Capital Expenditures	\$ (5,300,000)	\$ (506,147)	\$ (43,000,000)	\$ (1,610,901)	\$ (1,548,578)	\$ -	\$ (189,500,000)	\$ -	\$ (241,465,625)
Net (from above)	\$ (1,469,100)	\$ (313,251)	\$ (4,726,834)	\$ 615,019	\$ (2,496,938)	\$ (3,036,683)	\$ 110,645,518	\$ 8,800,206	\$ 108,017,938
Fund Additions/Deductions*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 53,064,007	\$ 58,825,228	\$ 270,637,140	\$ (2,363,464)	\$ 8,352,040	\$ 4,717,597	\$ 609,433,218	\$ 45,789,208	\$ 1,048,454,972
Year-End Accounting Entries **	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Net Capital Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Other Restricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Unrestricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Total Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

* - Due to Capital Improvements and Debt Accounting entries

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

FY20 Actuals Quarter 1 Report
**All Funds except Agency and Clearing
Designated Ops**

	Education and		and Service		Restricted Gift					Total
	General	Center	Auxiliaries	Grant Funds	Funds	Other Funds	Plant Funds	Internal Bank		
State Appropriation	\$ 28,259,608	\$ 292,696	\$ 113,300	\$ 15,450	\$ -	\$ -	\$ -	\$ -	\$ 28,681,054	
Tuition and Fees	\$ 168,246,619	\$ 1,607,580	\$ 16,112,406	\$ -	\$ -	\$ -	\$ -	\$ 1,186,257	\$ 187,152,862	
Gifts Grants & Contracts	\$ 815	\$ 1,015,855	\$ 296,177	\$ 33,371,328	\$ 24,459,413	\$ -	\$ 2,796,524	\$ -	\$ 61,940,112	
ICC Revenue	\$ 7,460,617	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,460,617	
Federal Student Aid	\$ -	\$ -	\$ -	\$ 7,040,498	\$ -	\$ -	\$ -	\$ -	\$ 7,040,498	
Interest and Investment	\$ 1,824,106	\$ 5,778,496	\$ 21,809	\$ 1,607	\$ 601	\$ 128,818	\$ 286,289	\$ 595,833	\$ 8,637,559	
Internal Sales	\$ 837,587	\$ 12,034,749	\$ 6,817,795	\$ -	\$ -	\$ -	\$ -	\$ 6,687,089	\$ 26,377,219	
Sales & Services	\$ 1,578,107	\$ 2,783,009	\$ 42,959,712	\$ 88,430	\$ 113	\$ -	\$ -	\$ -	\$ 47,409,370	
Other Revenues	\$ 393,416	\$ 426,367	\$ 484,188	\$ -	\$ -	\$ -	\$ 81,092	\$ -	\$ 1,385,063	
Transfers From Ore State Agencies	\$ -	\$ -	\$ -	\$ 3,421,303	\$ -	\$ -	\$ 11,549,575	\$ -	\$ 14,970,878	
Total Revenue	\$ 208,600,875	\$ 23,938,752	\$ 66,805,387	\$ 43,938,616	\$ 24,460,126	\$ 128,818	\$ 14,713,480	\$ 8,469,178	\$ 391,055,232	
Total Personnel Services	\$ 70,333,894	\$ 11,170,977	\$ 20,849,587	\$ 18,661,528	\$ 7,037,595	\$ -	\$ 3,325	\$ 31,132	\$ 128,088,037	
Service & Supplies	\$ 32,884,105	\$ 3,637,891	\$ 22,119,122	\$ 5,638,065	\$ 6,828,366	\$ 29,278	\$ 1,145,987	\$ 1,121,039	\$ 73,403,852	
Merchandise-Resale/Redistribution	\$ (97,854)	\$ 3,006,819	\$ 1,142,084	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,051,050	
Internal Sales Reimbursements	\$ (4,380,788)	\$ -	\$ (412,232)	\$ -	\$ (750)	\$ -	\$ -	\$ -	\$ (4,793,770)	
Indirect Costs	\$ 15,762	\$ 669,455	\$ 1,619,720	\$ 7,478,117	\$ -	\$ -	\$ -	\$ -	\$ 9,783,054	
Depreciation/Amortization Expense	\$ -	\$ 1,073,042	\$ 7,701,798	\$ -	\$ -	\$ -	\$ 8,019,284	\$ -	\$ 16,794,123	
Student Aid	\$ 1,926,387	\$ (44,943)	\$ 677,793	\$ 11,446,183	\$ 10,317,481	\$ 772,262	\$ -	\$ -	\$ 25,095,164	
Total General Expense	\$ 30,347,613	\$ 8,342,264	\$ 32,848,286	\$ 24,562,365	\$ 17,145,097	\$ 801,540	\$ 9,165,270	\$ 1,121,039	\$ 124,333,473	
Net Transfers Out/(In)	\$ 847,300	\$ (434,690)	\$ 8,273,196	\$ (38,960)	\$ (55,149)	\$ -	\$ (10,383,490)	\$ 1,791,794	\$ -	
Total Expense	\$ 101,528,806	\$ 19,078,551	\$ 61,971,068	\$ 43,184,932	\$ 24,127,543	\$ 801,540	\$ (1,214,895)	\$ 2,943,965	\$ 252,421,510	
Net before CapEx	\$ 107,072,069	\$ 4,860,201	\$ 4,834,319	\$ 753,684	\$ 332,583	\$ (672,722)	\$ 15,928,375	\$ 5,525,213	\$ 138,633,721	
Beginning Fund Balance	\$ 59,833,107	\$ 59,644,625	\$ 318,363,973	\$ (1,367,583)	\$ 12,397,555	\$ 7,754,280	\$ 688,287,700	\$ 36,989,002	\$ 1,181,902,659	
Capital Expenditures	\$ (1,444,039)	\$ (78,899)	\$ -	\$ (353,538)	\$ (501,966)	\$ -	\$ (18,687,335)	\$ -	\$ (21,065,777)	
Net (from above)	\$ 107,072,069	\$ 4,860,201	\$ 4,834,319	\$ 753,684	\$ 332,583	\$ (672,722)	\$ 15,928,375	\$ 5,525,213	\$ 138,633,721	
Fund Additions/Deductions*	\$ (445,815)	\$ 395,351	\$ 454,635	\$ -	\$ -	\$ -	\$ 2,061,341	\$ -	\$ 2,465,513	
Ending Fund Balance	\$ 165,015,322	\$ 64,821,279	\$ 323,652,927	\$ (967,437)	\$ 12,228,172	\$ 7,081,558	\$ 687,590,081	\$ 42,514,215	\$ 1,301,936,117	
Year-End Accounting Entries **	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Net Capital Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Other Restricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Unrestricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Total Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	

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

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

FY20 Actuals Quarter 1 Report
Education and General

	FY20		FY20 Q1		FY20 Q1 inc/(dec) from FY19 Q1	FY19 Total Actual	FY20 Q1		FY20 Updated Proj vs FY19 Total as %
	Expenditure Authority	FY20 Actual Q1	Actual as % of Proj	FY19 Actual Q1			Proj vs FY19 Total as %	FY20 Updated Projection Q1	
State Appropriation	\$ 78,872,041	\$ 28,259,608	35.8%	\$ 26,081,240	8.4%	\$ 72,712,010	8.5%	\$ 79,307,016	9.1%
Tuition and Fees	\$ 435,000,000	\$ 168,246,619	38.7%	\$ 165,905,528	1.4%	\$ 418,454,072	4.0%	\$ 431,000,000	3.0%
Gifts Grants & Contracts	\$ 150,000	\$ 815	0.5%	\$ 730	11.6%	\$ 323,334	-53.6%	\$ 150,000	-53.6%
ICC Revenue	\$ 25,900,000	\$ 7,460,617	28.8%	\$ 7,008,626	6.4%	\$ 24,619,477	5.2%	\$ 25,900,000	5.2%
Federal Student Aid	\$ -	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Interest and Investment	\$ 8,000,000	\$ 1,824,106	22.8%	\$ 1,449,090	25.9%	\$ 7,259,112	10.2%	\$ 8,000,000	10.2%
Internal Sales	\$ 2,900,000	\$ 837,587	28.9%	\$ 348,333	140.5%	\$ 2,821,527	2.8%	\$ 2,900,000	2.8%
Sales & Services	\$ 4,200,000	\$ 1,578,107	37.6%	\$ 1,426,739	10.6%	\$ 4,168,451	0.8%	\$ 4,200,000	0.8%
Other Revenues	\$ 2,200,000	\$ 393,416	17.9%	\$ 517,612	-24.0%	\$ 2,191,003	0.4%	\$ 2,200,000	0.4%
Transfers From Ore State Agencies	\$ -	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Total Revenue	\$ 557,222,041	\$ 208,600,875	37.4%	\$ 202,737,899	2.9%	\$ 532,548,986	4.6%	\$ 553,657,016	4.0%
Total Personnel Services	\$ 442,073,986	\$ 70,333,894	15.9%	\$ 67,347,947	4.4%	\$ 424,936,751	4.0%	\$ 442,073,986	4.0%
Service & Supplies	\$ 118,215,141	\$ 32,884,105	27.8%	\$ 26,961,098	21.97%	\$ 114,237,981	3.5%	\$ 118,215,141	3.5%
Merchandise-Resale/Redistribution	\$ 2,000	\$ (97,854)	-4892.7%	\$ (56,209)	74.1%	\$ 4,171	-52.1%	\$ 2,000	-52.1%
Internal Sales Reimbursements	\$ (18,700,000)	\$ (4,380,788)	23.4%	\$ (3,450,942)	26.9%	\$ (18,172,375)	2.9%	\$ (18,700,000)	2.9%
Indirect Costs	\$ 100,000	\$ 15,762	15.8%	\$ 36,913	-57.3%	\$ 71,589	39.7%	\$ 100,000	39.7%
Depreciation/Amortization Expense	\$ -	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Student Aid	\$ 6,000,000	\$ 1,926,387	32.1%	\$ 1,757,958	9.6%	\$ 5,882,527	2.0%	\$ 6,000,000	2.0%
Total General Expense	\$ 105,617,141	\$ 30,347,613	28.7%	\$ 25,248,819	20.2%	\$102,023,894	3.5%	\$ 105,617,141	3.5%
Net Transfers Out(In)	\$ 11,000,000	\$ 847,300	7.7%	\$ 3,108,256	-72.7%	\$ 11,829,666	-7.0%	\$ 11,000,000	-7.0%
Total Expense	\$ 558,691,127	\$ 101,528,806	18.2%	\$ 95,705,021	6.1%	\$ 538,790,310	3.7%	\$ 558,691,127	3.7%
Net before CapEx	\$ (1,469,086)	\$ 107,072,069	-7288.3%	\$ 107,032,878	0.0%	\$ (6,241,324)	-76.5%	\$ (5,034,111)	-19.3%
Beginning Fund Balance	\$ 59,833,107	\$ 59,833,107	100.0%	\$ 77,206,732	-22.5%	\$ 77,206,732	-22.5%	\$ 59,833,107	-22.5%
Capital Expenditures	\$ (5,300,000)	\$ (1,444,039)	27.2%	\$ (876,118)	64.8%	\$ (5,215,820)	1.6%	\$ (5,300,000)	1.6%
Net (from above)	\$ (1,469,086)	\$ 107,072,069	-7288.3%	\$ 107,032,878	0.0%	\$ (6,241,324)	-76.5%	\$ (5,034,111)	-19.3%
Fund Additions/Deductions*	\$ -	\$ (445,815)	-	\$ -	-	\$ -	-	\$ -	-
Year-End Accounting Entries	\$ -	\$ -	-	\$ -	-	\$ (5,916,481)	-100.0%	\$ -	-100.0%
Ending Fund Balance	\$ 53,064,021	\$ 165,015,322	311.0%	\$ 183,363,492	-10.0%	\$ 59,833,107	-11.3%	\$ 49,498,996	-17.3%
Year-End Accounting Entries **	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Net Capital Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Other Restricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Unrestricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Total Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

* - Due to Capital Improvements and Debt Accounting entries

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

FY20 Actuals Quarter 1 Report

Total All Fund Groups

Personnel Services	Total Dollars			Benefits as a % of Total Salary & Leave	
	FY2019	FY2020	Yr/Yr % Inc	FY2019	FY2020
Salary & Wages	\$77,261,784	\$80,087,247	3.7%		
Other Payroll Expense(OPE) and Leave					
Personnel Leave	\$7,744,042	\$8,270,408	6.8%	9.1%	9.4%
Medical Insurance	\$16,176,506	\$17,162,114	6.1%	19.0%	19.4%
Retirement	\$16,552,332	\$19,376,512	17.1%	19.5%	21.9%
Other OPE	\$6,822,418	\$7,075,985	3.7%	8.0%	8.0%
Total OPE & Leave	\$47,295,298	\$51,885,020	9.7%	55.6%	58.7%
*Total Personnel Services	\$124,557,081	\$131,972,267	6.0%		

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

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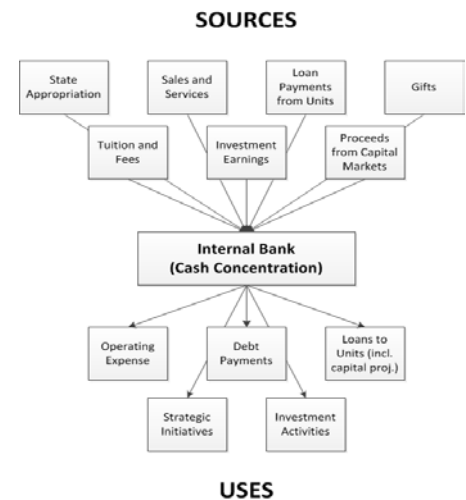
Internal Bank Functional Responsibilities

There have been no changes made to the functional responsibilities of Treasury Operations or the Internal Bank during the past year. The Internal Bank continues to:

1. Manage the short-term cash position so the university can meet its obligations.
2. Manage long-term investments and long-term debt of the university.
3. Raise capital and provide funding to capital projects that need to borrow funds.
4. Manage banking relationships.
5. Guide payment system processes.

The Treasurer attests to the following policy-required items:

- There have been no policy exceptions.
- The Board authorized all financing transactions in excess of \$5 million.
- A copy of the Treasury Management Procedures has been made available for your information. There were no significant changes this year, only clarifications and documentation of existing processes.
- The Treasury Management Procedures makes no change to the internal bank borrowing rate of 5.25%.



Update on Activities During FY19

Cash and Investment Pool

- Investment portfolios comply with our stated quality, liquidity, and return objectives.
- Invested an additional \$10,000,000 in the Tier 2 fixed income portfolio, split between the two managers (\$5 million each).

Debt Activities

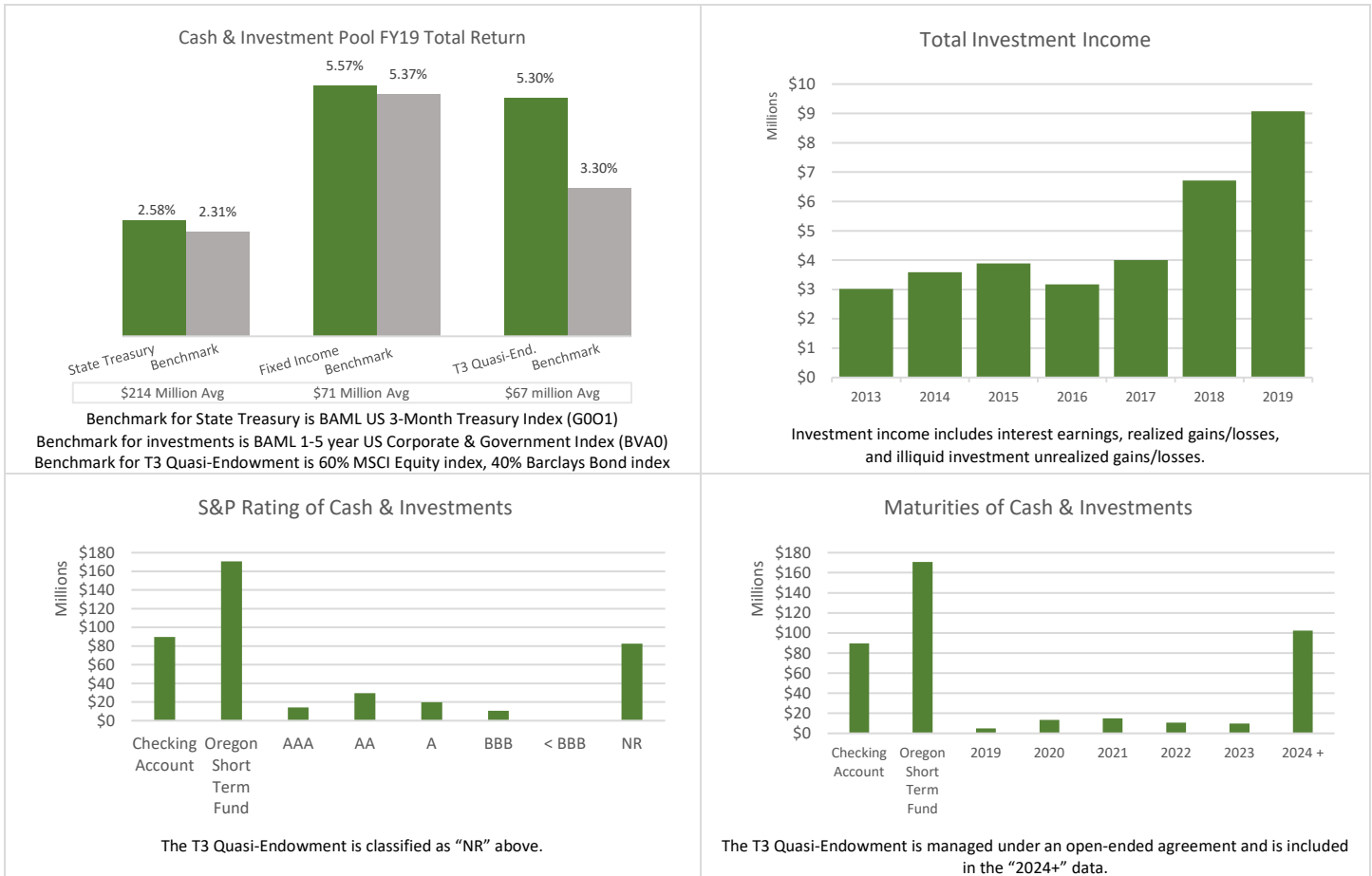
- Peer comparisons for FY18 (the latest year available) are similar to FY17.
- As of September 30, 2019:
 - 100% of 2015A revenue bond proceeds have been expended;
 - 98% of 2016A proceeds have been expended; and
 - 90% of 2018A revenue bond proceeds have been expended.

Treasury Procedures

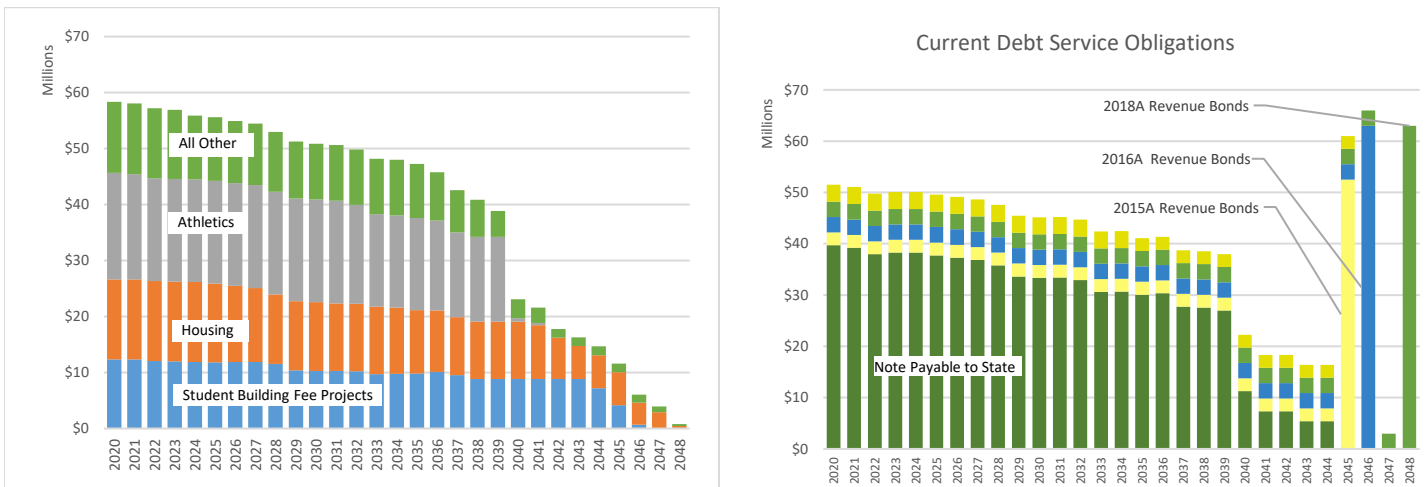
An excerpted version of the procedures, showing only the changed sections, has been included for reference. The full procedures can be found at <https://pages.uoregon.edu/baofoms/web/treasury/pdf/treasurymanagementprocedures-11-2019.pdf> and contain the following updates:

- Clarified when a capital project will be brought to the advisory group to review the business plan. (p. 1)
- Restated the process by which unused loan funds are returned to Treasury Operations. In cases where the unused amount is small, it is not feasible to re-amortize the loan payments. (p. 3)
- Documented existing process surrounding state-issued bond reimbursements. (p. 15)

Cash and Investment Pool Characteristics as of June 30, 2019

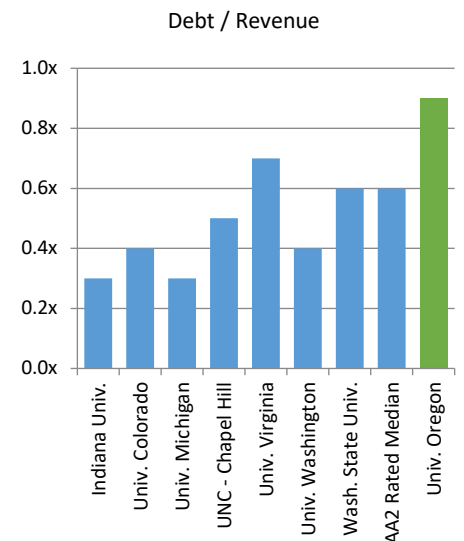
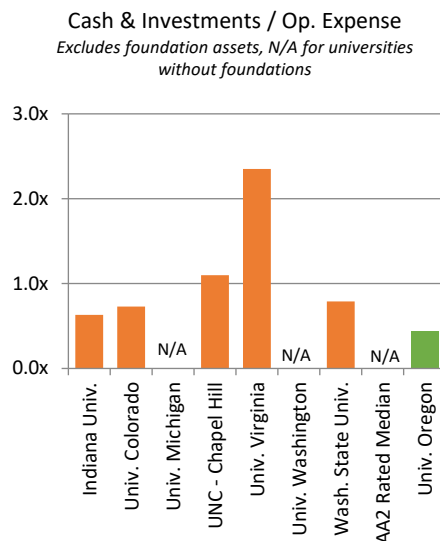
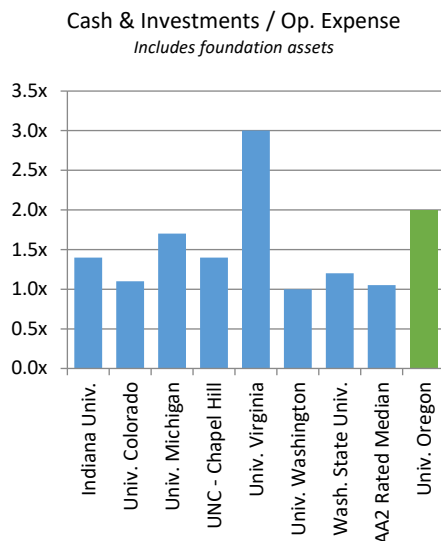
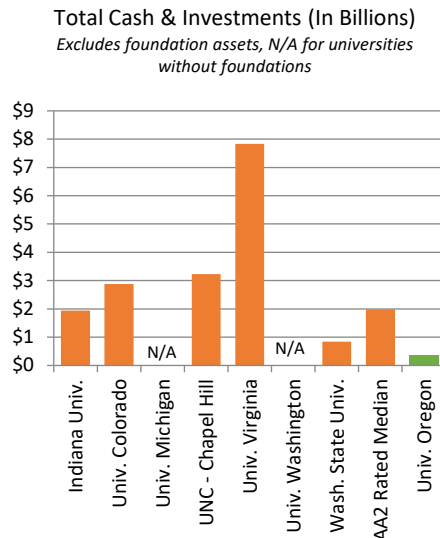
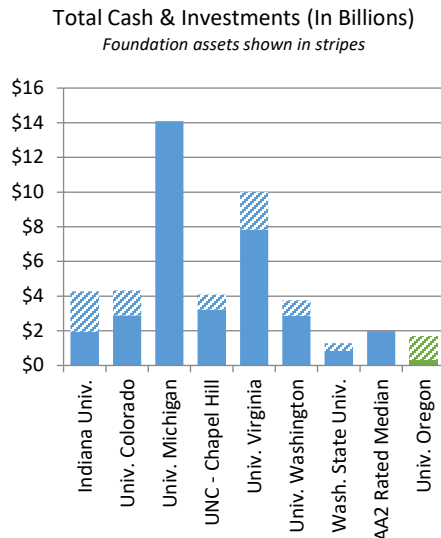


Debt Characteristics as of June 30, 2019



- All debt issued at a fixed rate; no floating rate
- S&P rating affirmed in May 2019 (AA-) and Moody's in December 2017 (Aa2)
- UO revenue bonds have a 10-year par call and are all tax-exempt
- Debt that underlies the note payable to the state of Oregon includes a mixture of tax-exempt, taxable, and other tax-advantaged debt

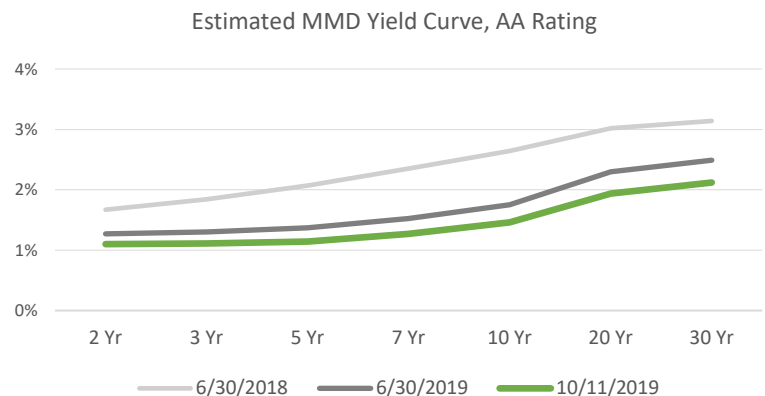
Peer Comparisons



Source: Moody's FY 2018 data, provided by Bank of America Merrill Lynch

External Factors

- Bond rates have declined over the past 16 months, with long-term rates hitting historic lows.
- The Federal Reserve has begun lowering rates, which affects investment returns in the short-term market. General consensus is that the Fed will continue to lower rates.
- Rating agencies continue to have concerns about enrollment and revenue declines in higher ed.



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UNIVERSITY OF OREGON

Treasury Operations Annual Update

December 2019

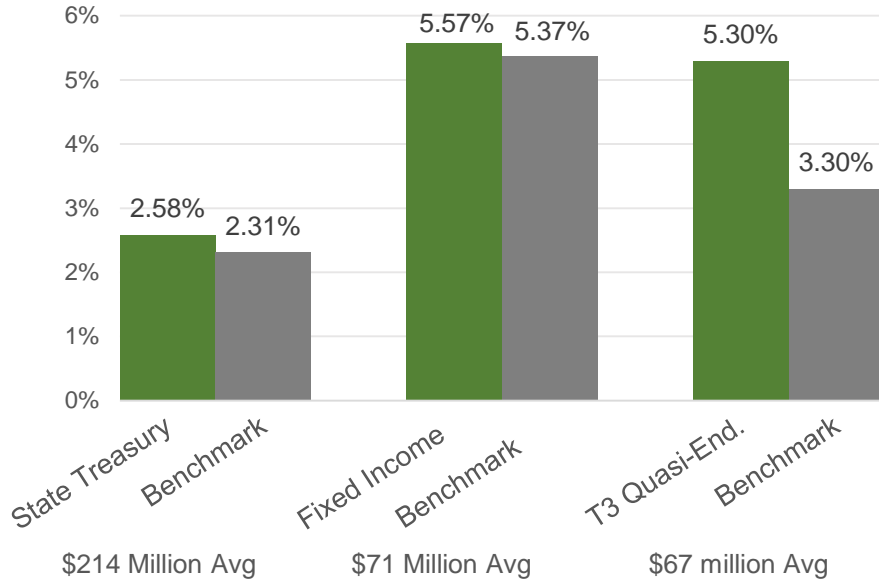
Jamie Moffitt, VPFA/CFO/Treasurer

Kelly B. Wolf, AVP/Controller

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

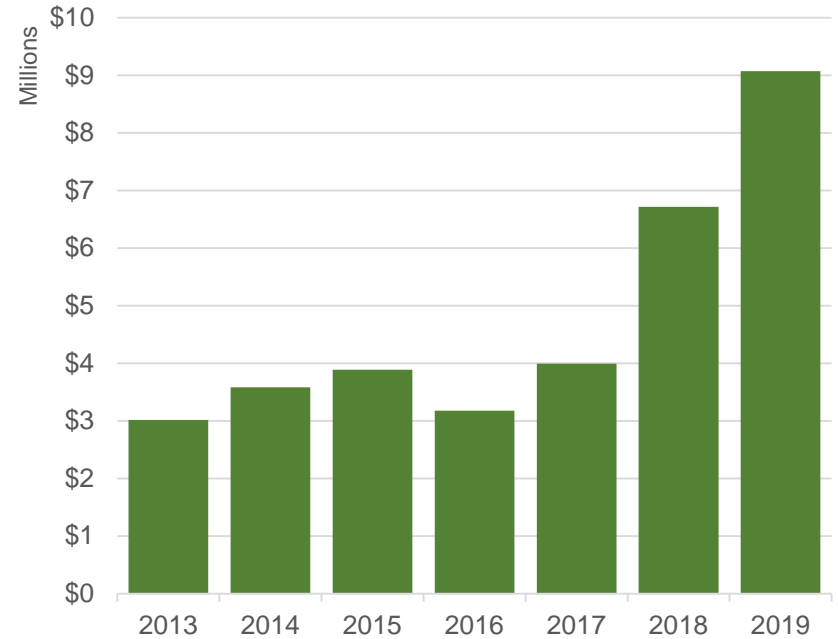
Investments outperform benchmarks and income continues to grow

Cash & Investment Pool FY19 Total Return as of 6/30/19

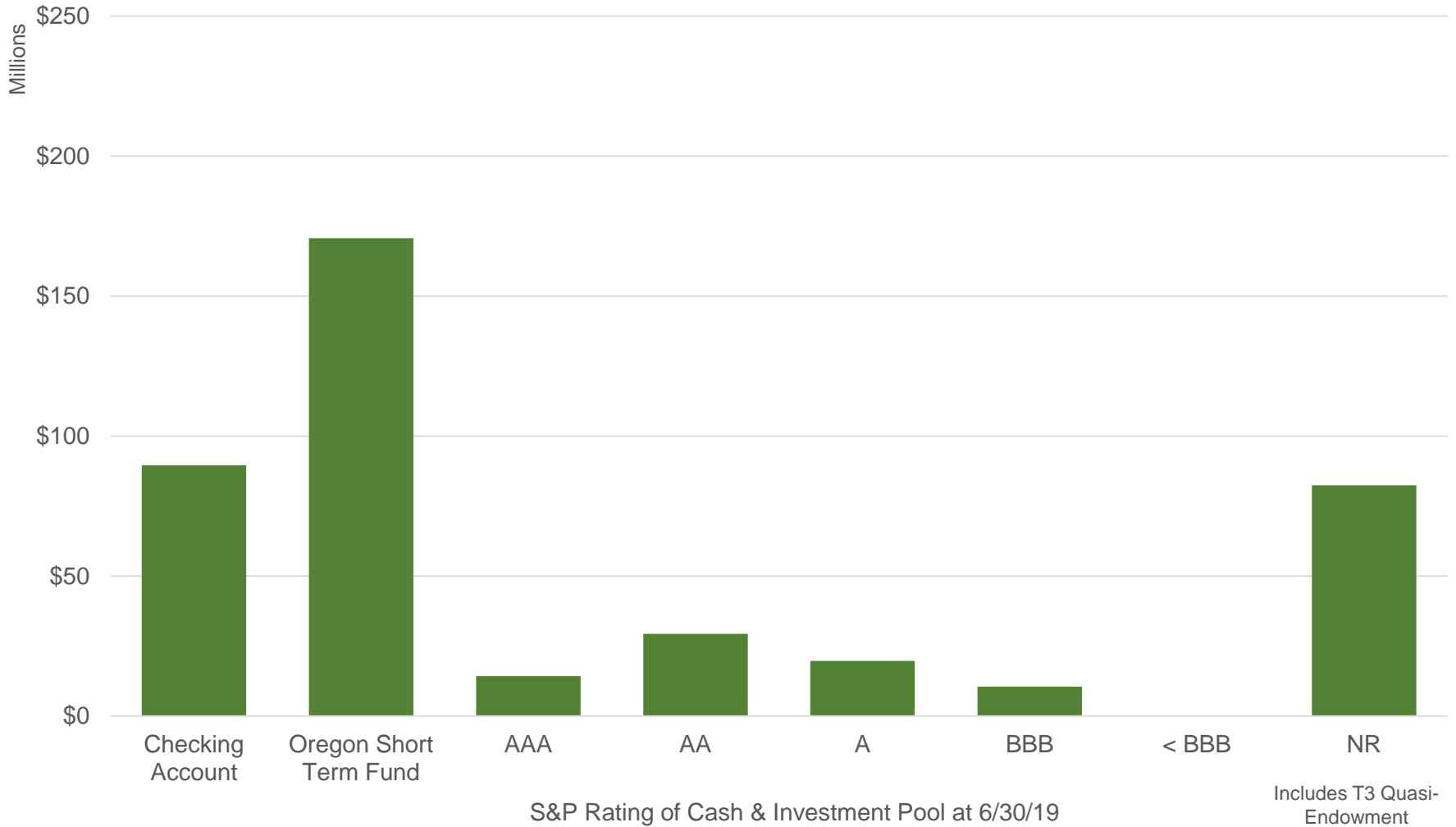


- Benchmark for State Treasury is BAML US 3-Month Treasury Index (G001).
- Benchmark for investments is BAML 1-5 year US Corporate & Government Index (BVA0).
- Benchmark for T3 Quasi-Endowment is 60% MSCI Equity index, 40% Barclays Bond index

Total Investment Income

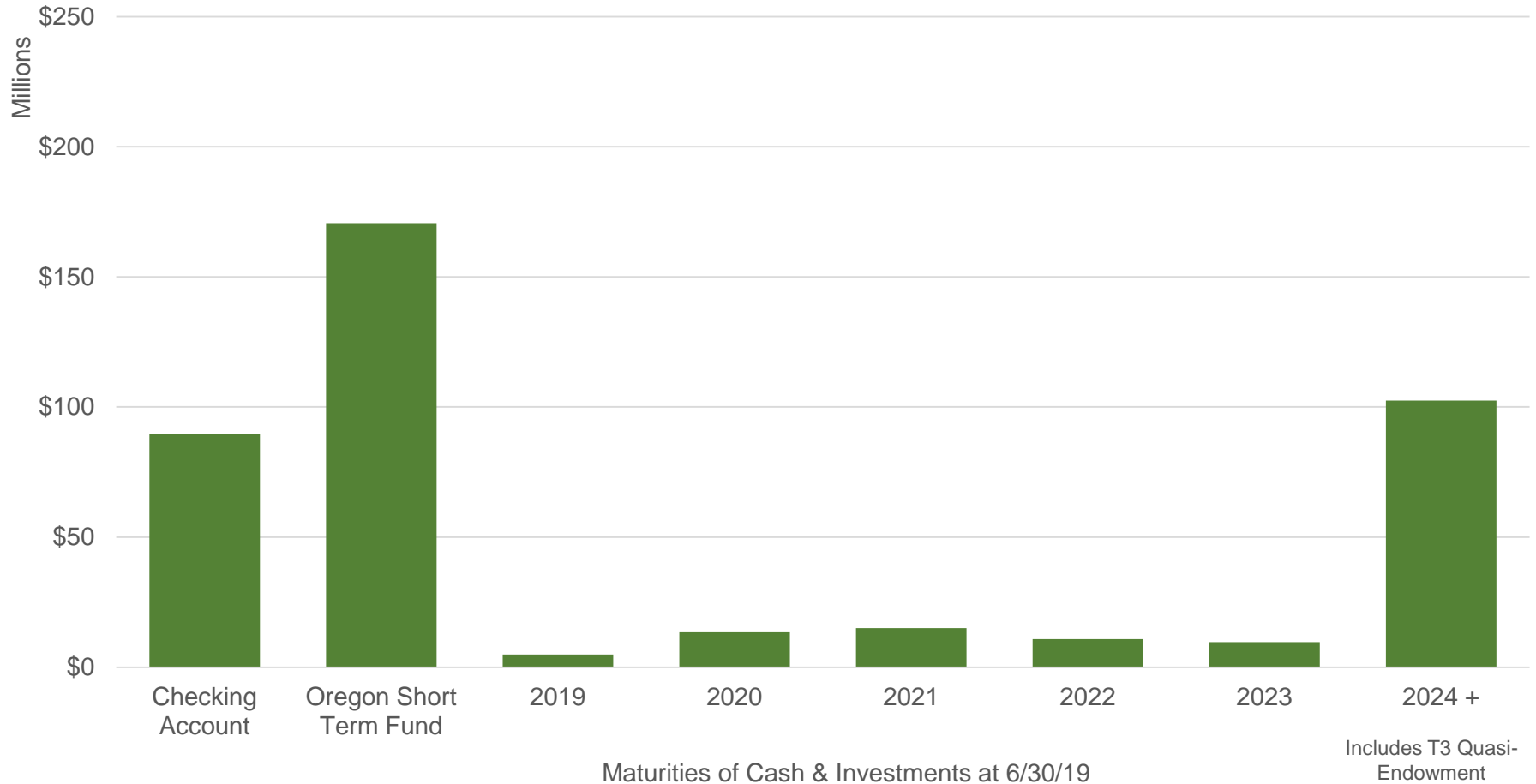


Overall credit risk is low

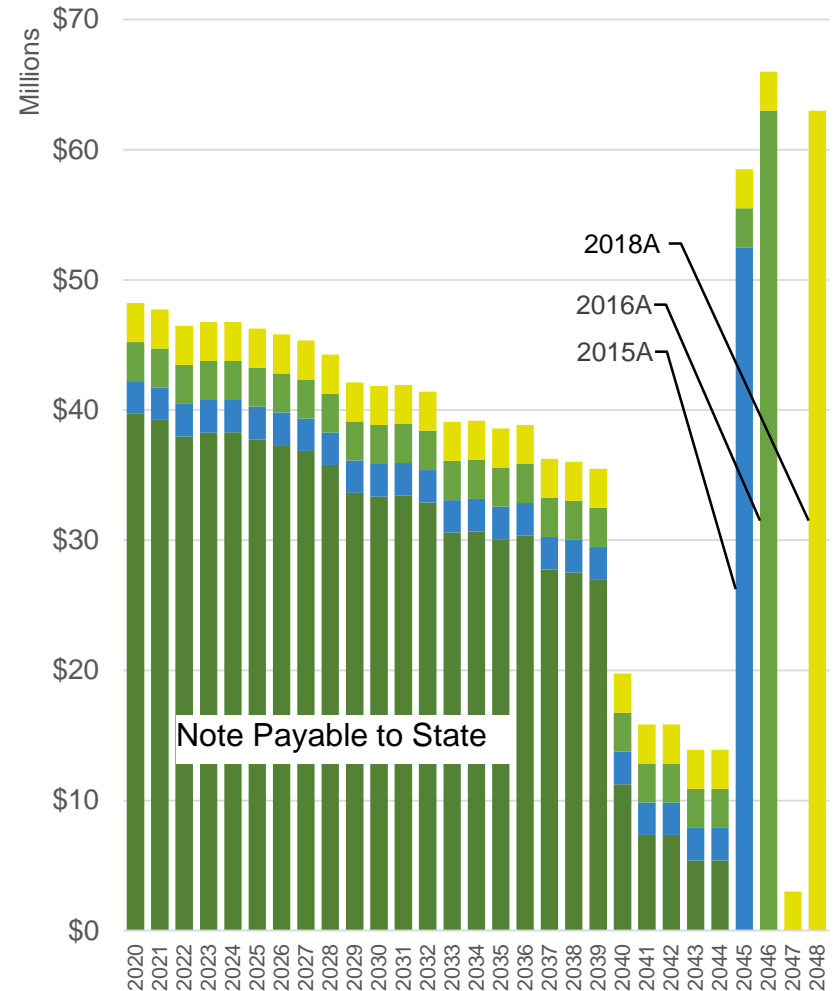
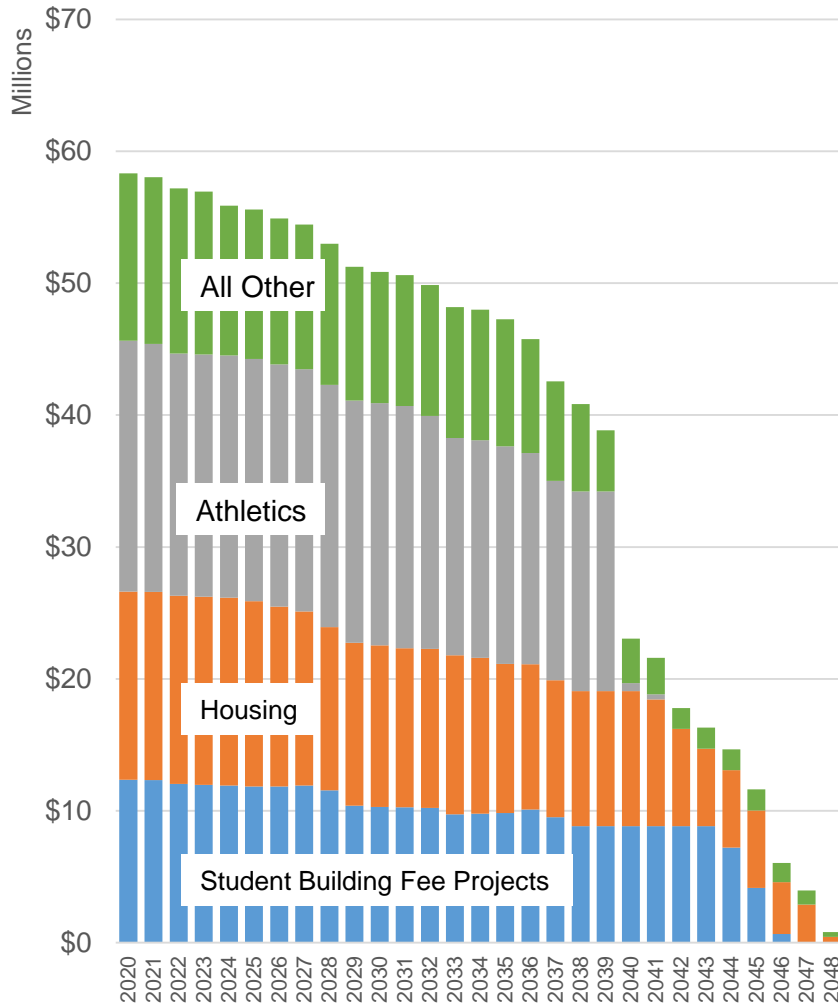


Liquidity risk remains low

Interest rate risk increased slightly



Loans to debt-paying entities generate cash to cover debt service payments

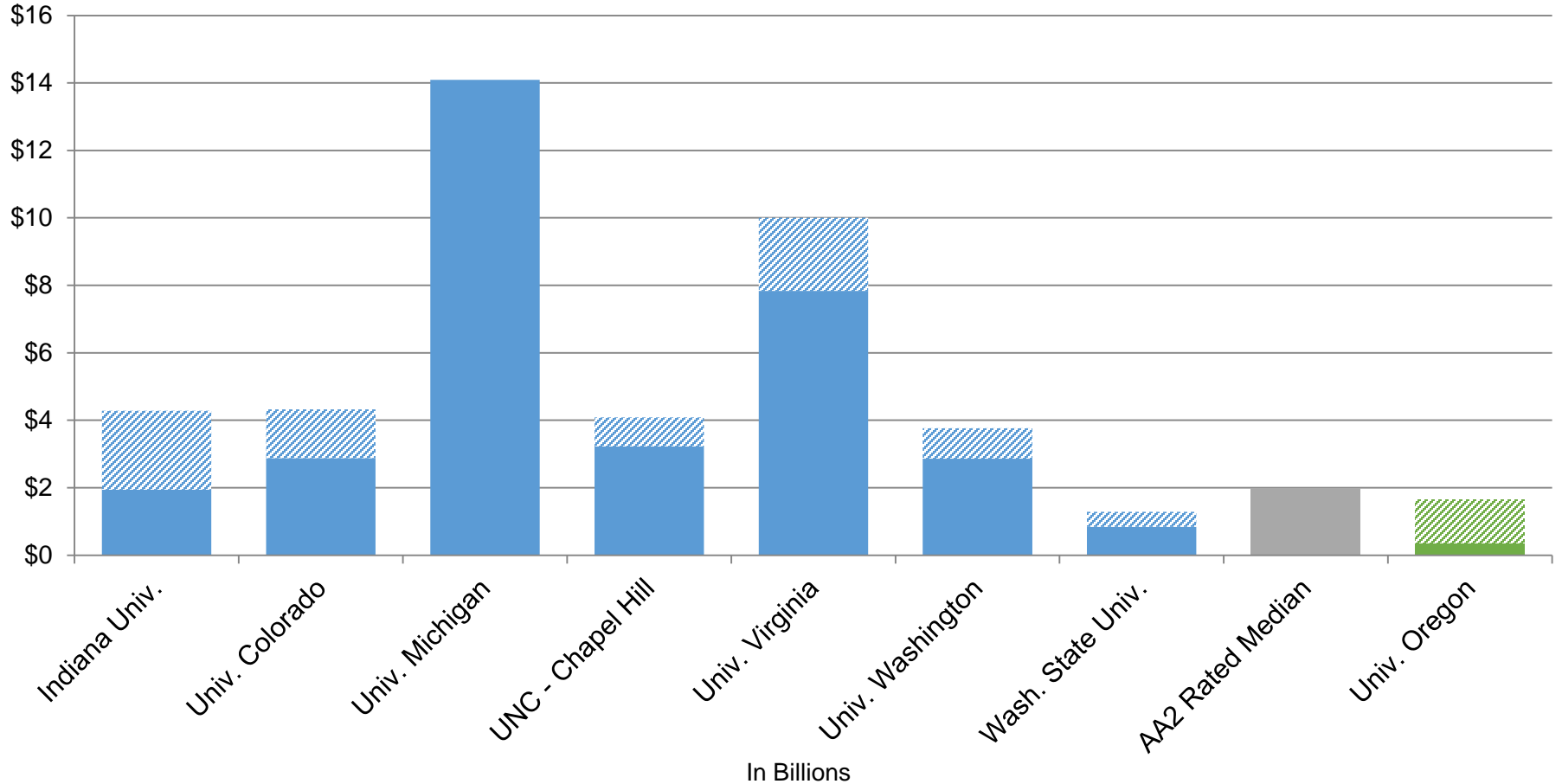


Debt Characteristics

- All debt is fixed rate; no floating rate
- S&P reaffirmed UO bond's credit rating of AA- in May 2019 and Moody's reaffirmed a rating of Aa2 in December 2017, both with a stable outlook
- UO revenue bonds have a 10-year par call
- UO revenue bonds have all been issued on a tax-exempt basis
- Debt that underlies the note payable to the state of Oregon includes a mixture of tax-exempt, taxable, and other tax-advantaged debt

Peer Comparison: Total Cash & Investments

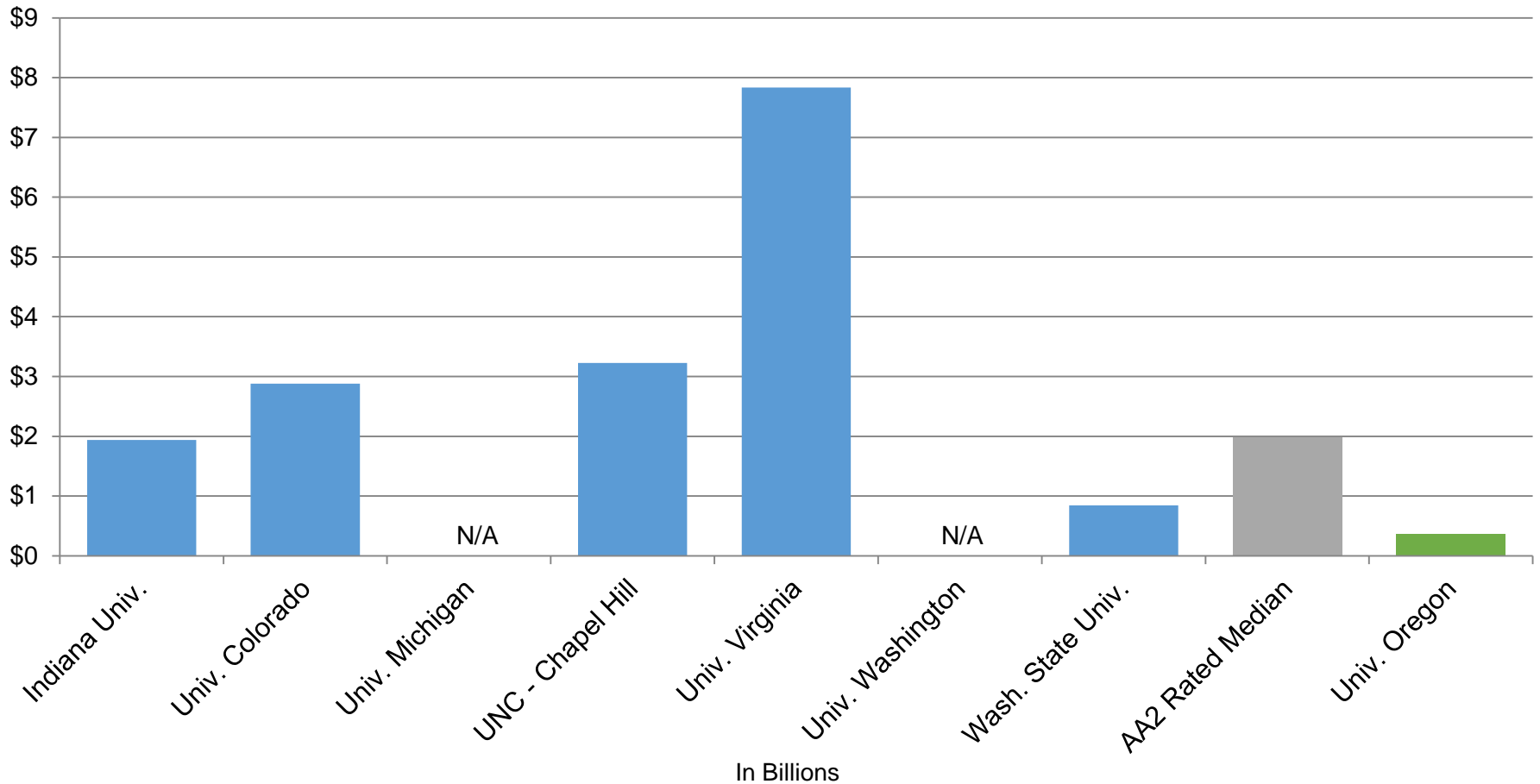
Foundation assets shown in stripes



Source: Moody's FY 2018 data provided by Bank of America Merrill Lynch

Peer Comparison: University-Only Cash & Investments

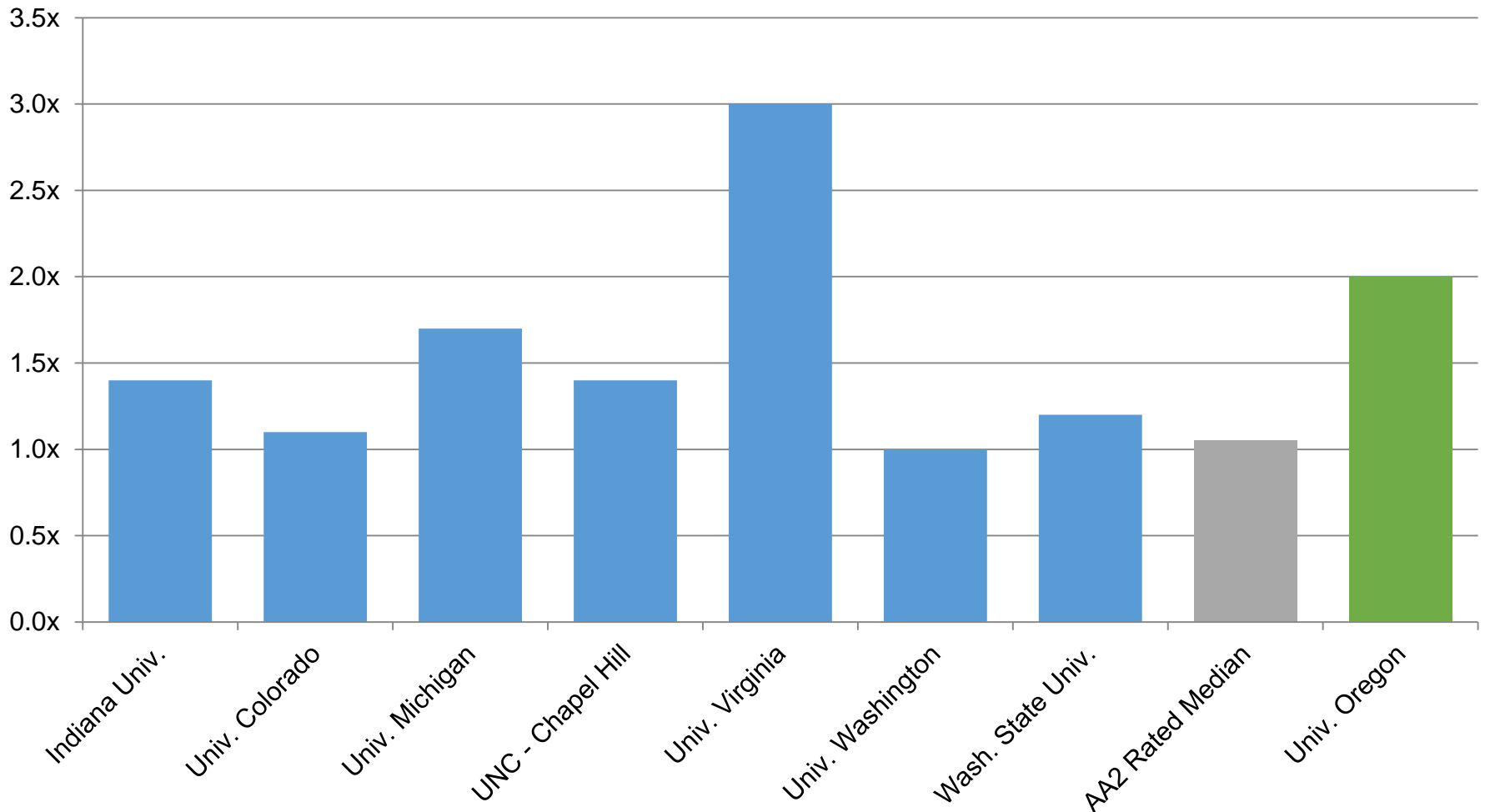
Excludes foundation assets, N/A for universities without foundations



Source: Moody's FY 2018 data provided by Bank of America Merrill Lynch

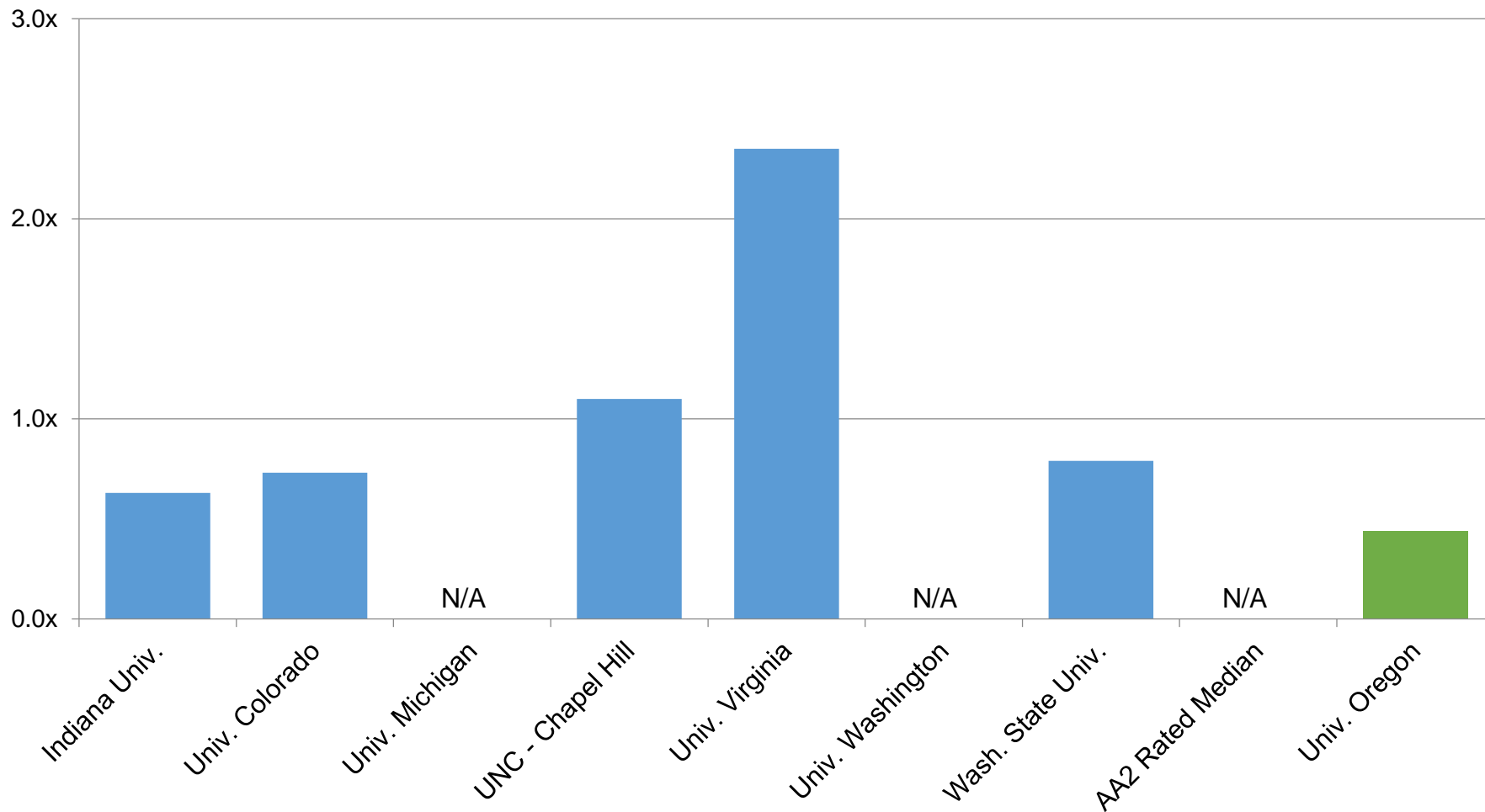
Peer Comparison: Total Cash & Investments / Op Expense

Includes foundation assets



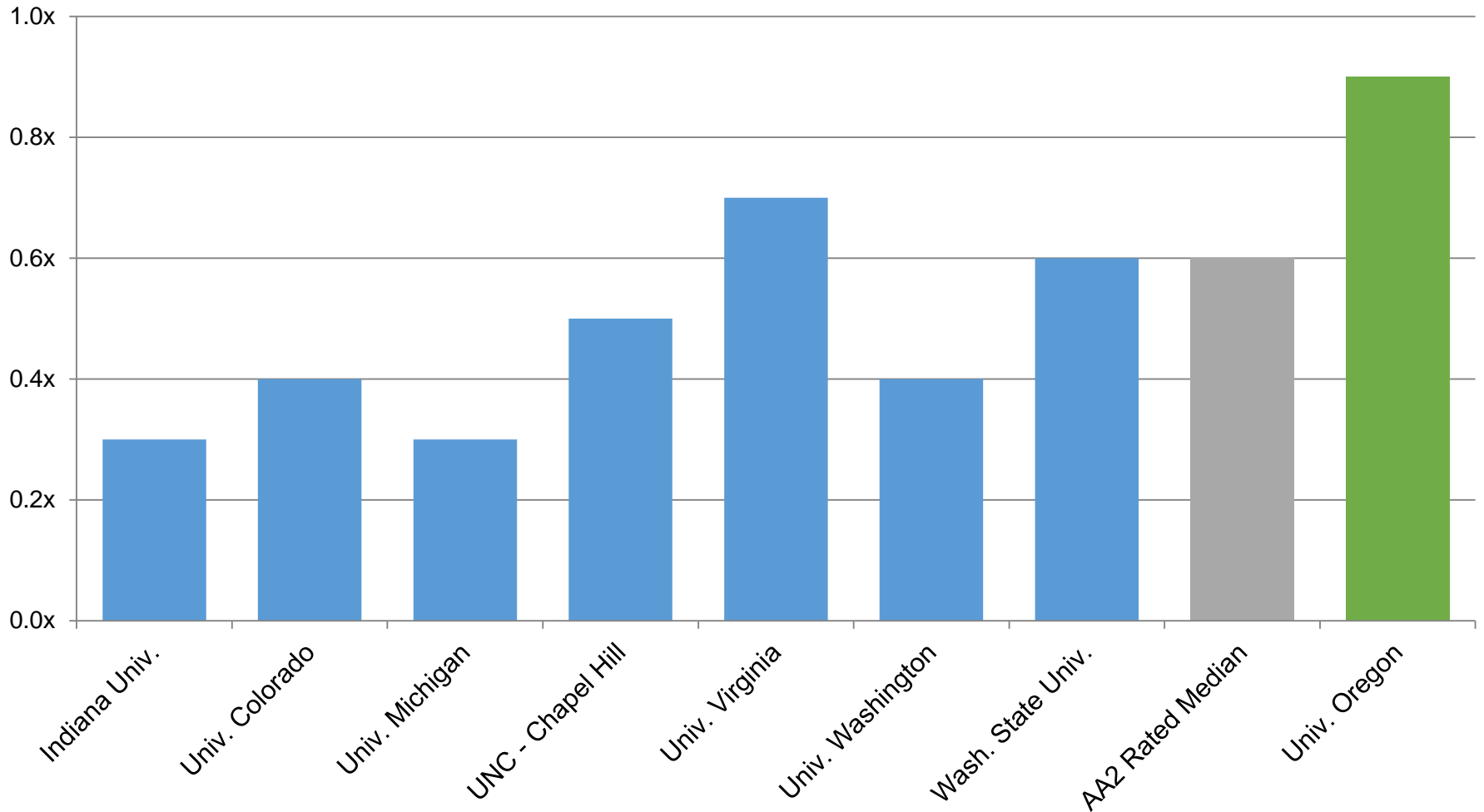
Source: Moody's FY 2018 data provided by Bank of America Merrill Lynch

Peer Comparison: University Cash & Investments / Op. Expense



Excludes foundation assets, N/A for universities without foundation

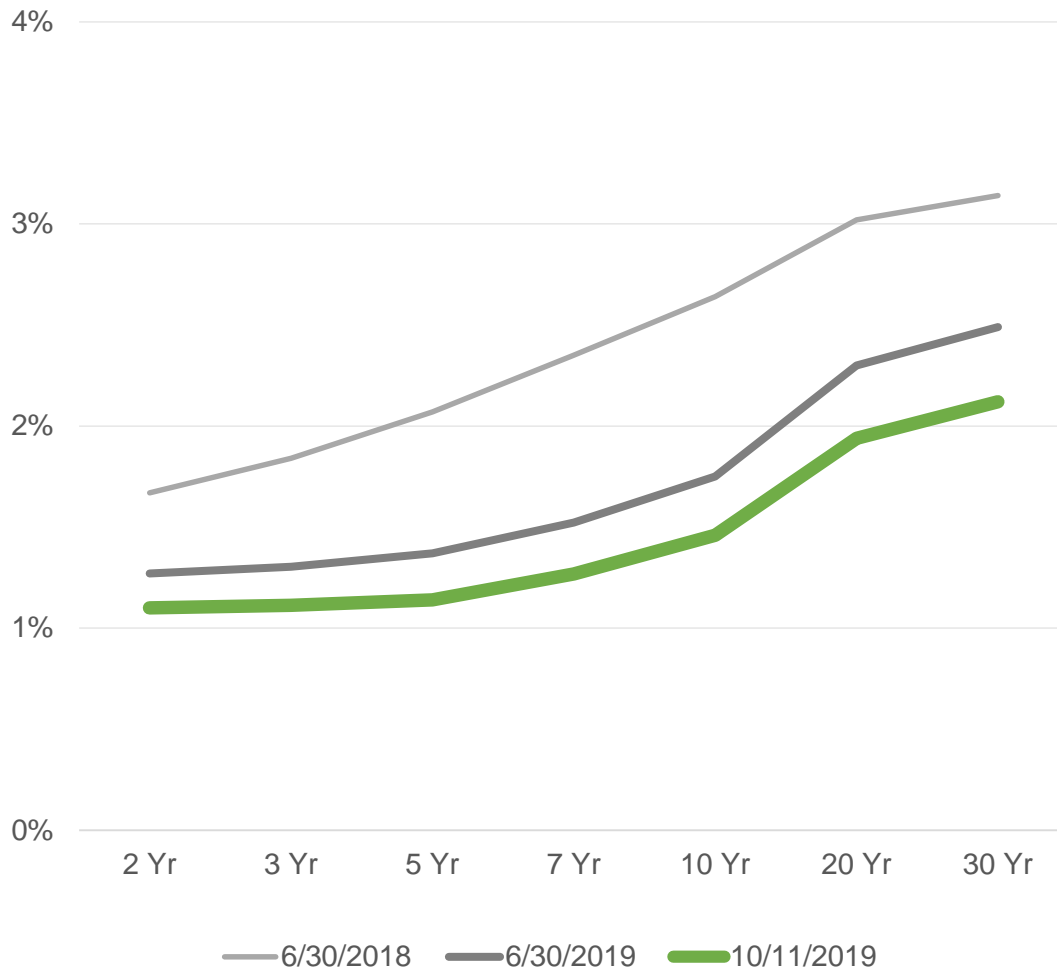
Peer Comparison: Debt / Revenue



Source: Moody's FY 2018 data provided by Bank of America Merrill Lynch

External Factors

Estimated MMD Yield Curve, AA Rating



- Bond rates have declined over the past 16 months, with long-term rates hitting historic lows.
- The Federal Reserve has begun lowering rates, which affects investment returns in the short-term market. General consensus is that the Fed will continue to lower rates.
- Rating agencies continue to have concerns about enrollment and revenue declines in higher ed.

CENTRAL BANK PROCEDURES

Roles and Responsibilities

The Treasurer will ensure that staff members responsible for managing the assets and liabilities of the central bank have appropriate expertise and ongoing training.

The Treasurer will periodically consult with an advisory group that includes staff, academic deans, and/or faculty with expertise in asset/liability management, public finance, investment management, and/or quantitative analysis. The advisory team may also include professional consultants or other subject matter experts. The advisory team will:

- review the business plan associated with capital projects over \$5 million that ~~will rely upon university dollars~~ are expected to rely upon new or increased revenue sources for debt service and advise the Treasurer as to whether the underlying assumptions in the business plan are reasonable;
- discuss significant or new types of transactions being undertaken within the central bank and provide advice and counsel to the Treasurer regarding the contemplated transaction;
- be familiar with the guidelines of the Treasury Management Policy and may suggest changes to the Treasurer; and
- provide advice on other topics as requested by the Treasurer.

Liquidity Management

- <No Changes>

Treasury Risk Management

- <No Changes>

Central Bank Loans

Loan Application

Upon approval of a funding source for a capital project, the sponsoring department or functional area may obtain a loan from the central bank. The borrower will be asked to provide several documents, including:

1. Evidence that the project's funding has been appropriately authorized
2. A description of the project
3. The project's budget
4. A schedule detailing funding requirements by month or quarter
5. An analysis showing the source, timing, and adequacy of the funds available to repay the loan

6. A private business use survey for the structure(s) involved, if necessary
7. Loan agreements require the signature of the responsible Dean or Vice President

Permitted Loan Terms

- <No Changes>

Expectations

1. Borrowers will sign a financing agreement that states the terms of the loan.
2. Accounting for the expenditures of the project will be done in a manner to ensure compliance with IRS requirements for tax-exempt institutions.
3. Borrowers are expected to spend funds as indicated on the loan application but may work with the central bank to see if changes can be accommodated.
4. Borrowers will make payments as scheduled.
5. Borrowers will inform the central bank if any change in use of the financed building is contemplated. Changes in use include leasing or selling any portion of the facility to a third party, permitting unrelated uses in the facility, entering into a management contract, or demolition of any portion of the facility.
6. Prepayments may be negotiated with the central bank and, if possible, will generally be accommodated.
7. Projects involving a loan of more than \$5 million that are expected to take more than 12 months to complete may request quarterly loan advances rather than taking all the proceeds at once. If quarterly advances are approved, Treasury Operations will advance funds regularly to cover anticipated construction expenses. Unless there is an unanticipated and critical need, funds will not be advanced more often than quarterly. Treasury Operations will work with Capital Construction to advance funds for upcoming quarters.
8. Projects may request interest-only payments during the construction period. Interest-only payments are considered when the repayment source is being temporarily disrupted by the capital project. If fees or replacement revenues are available for repayment, interest-only payments will not be permitted. Interest-only periods do not extend the term of the loan.
9. Any funds that were advanced but unused at project completion will be returned to Treasury Operations. ~~At the borrower's option~~Depending on the amount these funds may be applied as a one-time principal reduction on the loan or applied toward the next payment due, at Treasury Operation's discretion.

Management of the Central Bank

- <No Changes>

UNIVERSITY OF OREGON

CASH & INVESTMENT OPERATIONAL PROCEDURES

<No Changes>

LIABILITY MANAGEMENT PROCEDURES

General Considerations

- <No Changes>

Initial Disclosure Documents

- <No Changes>

Ongoing Training

- <No Changes>

Continuing Disclosure

- <No Changes>

Post-Issuance Compliance for Tax-Advantaged Bonds

- <No Changes>

State-Issued Bonds Reimbursement Requests

For certain projects the State of Oregon issues bonds for the benefit of the university. These bonds operate on a reimbursement basis, meaning the university must first pay the expense and later request reimbursement from the state. These reimbursement requests are assembled by Capital Construction and reviewed by Treasury Operations. Accuracy is a foremost concern and Treasury Operations will review the requests in the following areas:

- Ensure that a scanned copy of each supporting invoice is included.
- Review request to ensure all expenses are permissible.
- Compare total requested to amount in deficit in Banner.
- Ensure no expenses have been previously reimbursed.
- Confirm that invoices which are broken into multiple requests do not exceed the invoice total.
- Verify that invoice dates fall within reimbursement resolution time limits.
- Consolidate all asbestos-related expenses for a time period into a single request to minimize state counsel review costs.

**EXHIBIT A
FORM OF POST-ISSUANCE COMPLIANCE POLICIES**

<No Changes>

Exhibit B

**Statement of Investment Principles
Board of Trustees of the University of Oregon**

<No Changes>

Exhibit C

**Basic UO Investment Parameters
Separately Managed Tier 2 Funds**

<No Changes>

Exhibit D

**Basic UO Investment Parameters
Quasi-Endowment Tier 3 Funds**

<No Changes>

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Agenda Item #2

FY19 Audited Financial Reports and External Auditor's Report

Due to file size, a copy of the UO's audited FY19 financial statements is not republished in this packet. It is available at: <https://ba.uoregon.edu/finance-and-accounting/financial-reports> (scroll down to "UO Audited Reports" and select "2019 UO Annual Financial Report, with Single Audit Included").

Moss Adams will provide hard copies of the external auditor's report at the meeting.



FY2019 Audited Financial Statements

December 9, 2019

Presenters: Jamie Moffitt, VPFA/CFO/Treasurer

Kelly B. Wolf, AVP/Controller

Board of Trustees of the University of Oregon

Executive Summary

- Clean audit – No findings or management-letter comments from the auditors
- FY19 vs. FY18
 - Overall revenues increased 12.8%, primarily due to \$95 million increase in Capital Grants & Gifts (Knight Campus, Tykeson, Klamath). Excluding those projects, increase was 3.1%.
 - Overall expenses (excluding GASB pension/OPEB adjustments and special items) increased 5.4%.
 - Overall Net Position increased 10.8%, primarily due to \$81.5 million increase in Net Investment in Capital Assets. Unrestricted Net Assets (UNA) dropped by \$19.5 million.

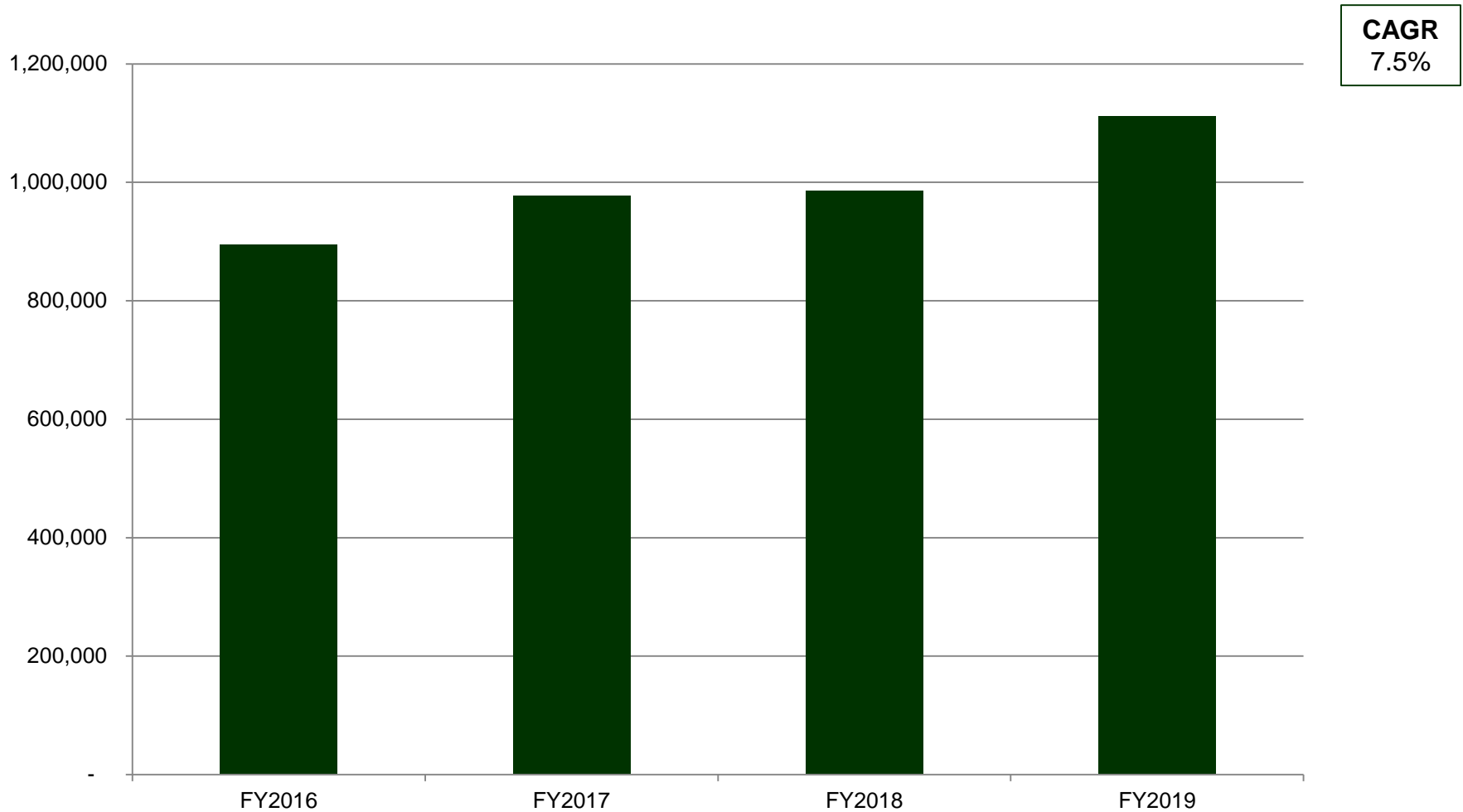
Perkins Loan Portfolio Liquidation

- The Federal Perkins Loan Program was a campus-based aid program utilizing a revolving loan fund.
- Congress did not renew the Federal Perkins Loan Program beyond September, 2017. No new loan disbursements were permitted after June 30, 2018.
- UO is assigning all outstanding loans to the US Department of Education for servicing. Process will be completed in FY20.

Perkins Loan Portfolio Liquidation

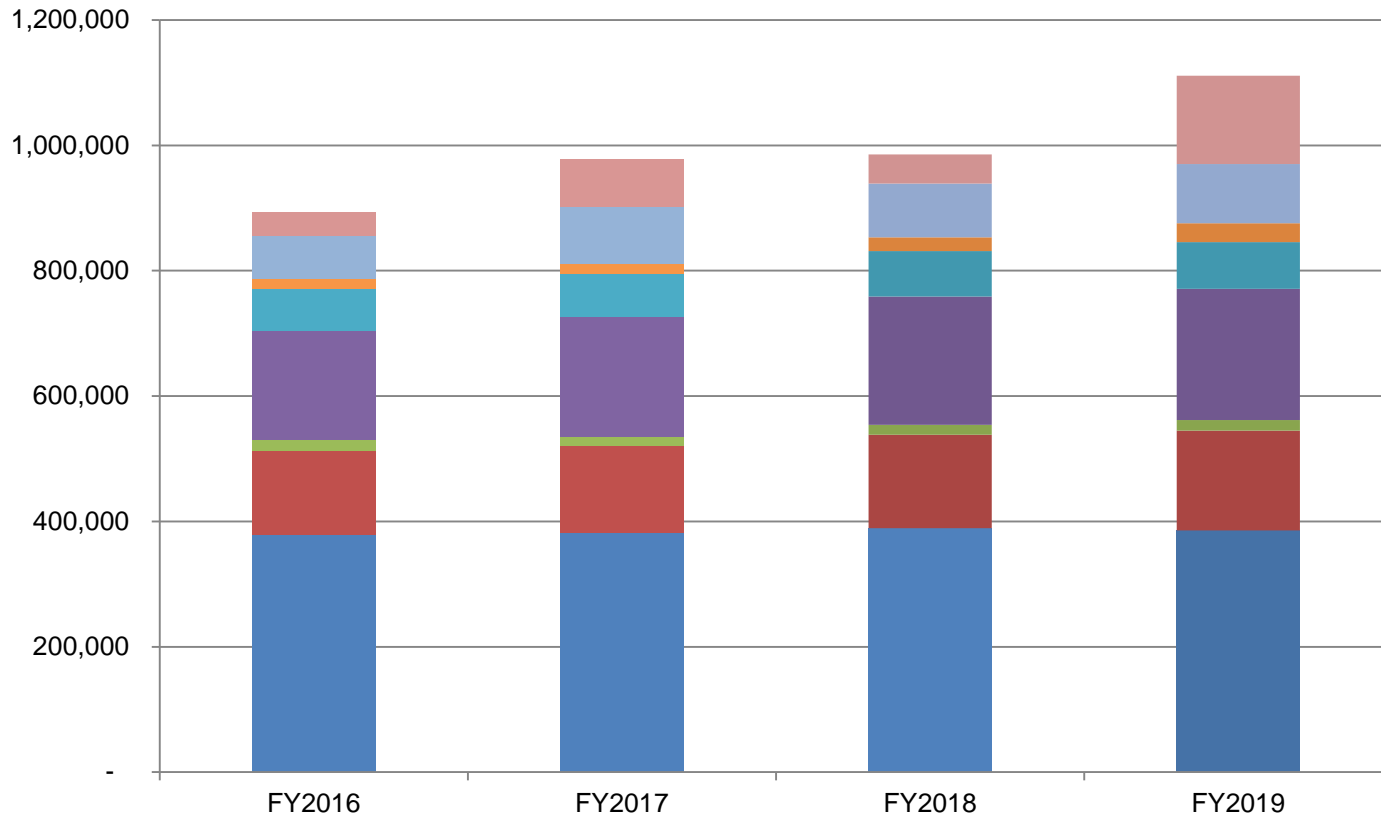
- Effect on SNP (Balance Sheet)
 - Notes Receivable are now recorded completely in Current Assets, rather than split between Current and Noncurrent
 - A new Current Liability was booked to account for the return of Federal Capital Contribution (FCC). This reduced Net Position-Restricted for Student Loans.
- Effect on SRECNP (Income Statement)
 - Nonoperating expense in Special Items to reverse FCC revenue that was received over the life of the program.

Four Year Revenue Trend (in thousands)



Note: FY2017 includes extraordinary, non-cash gift revenue.

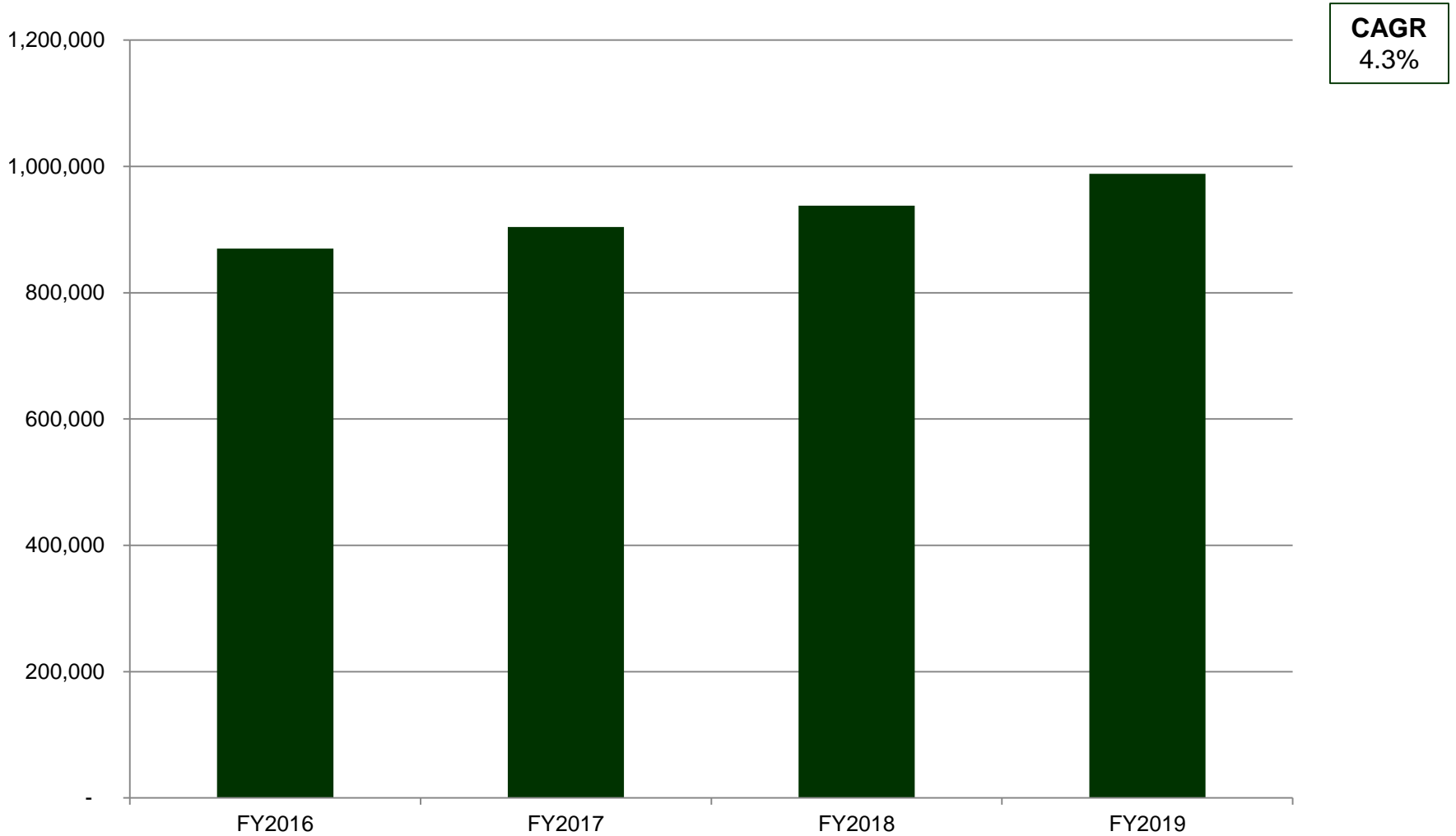
Sources of Revenue (in thousands)



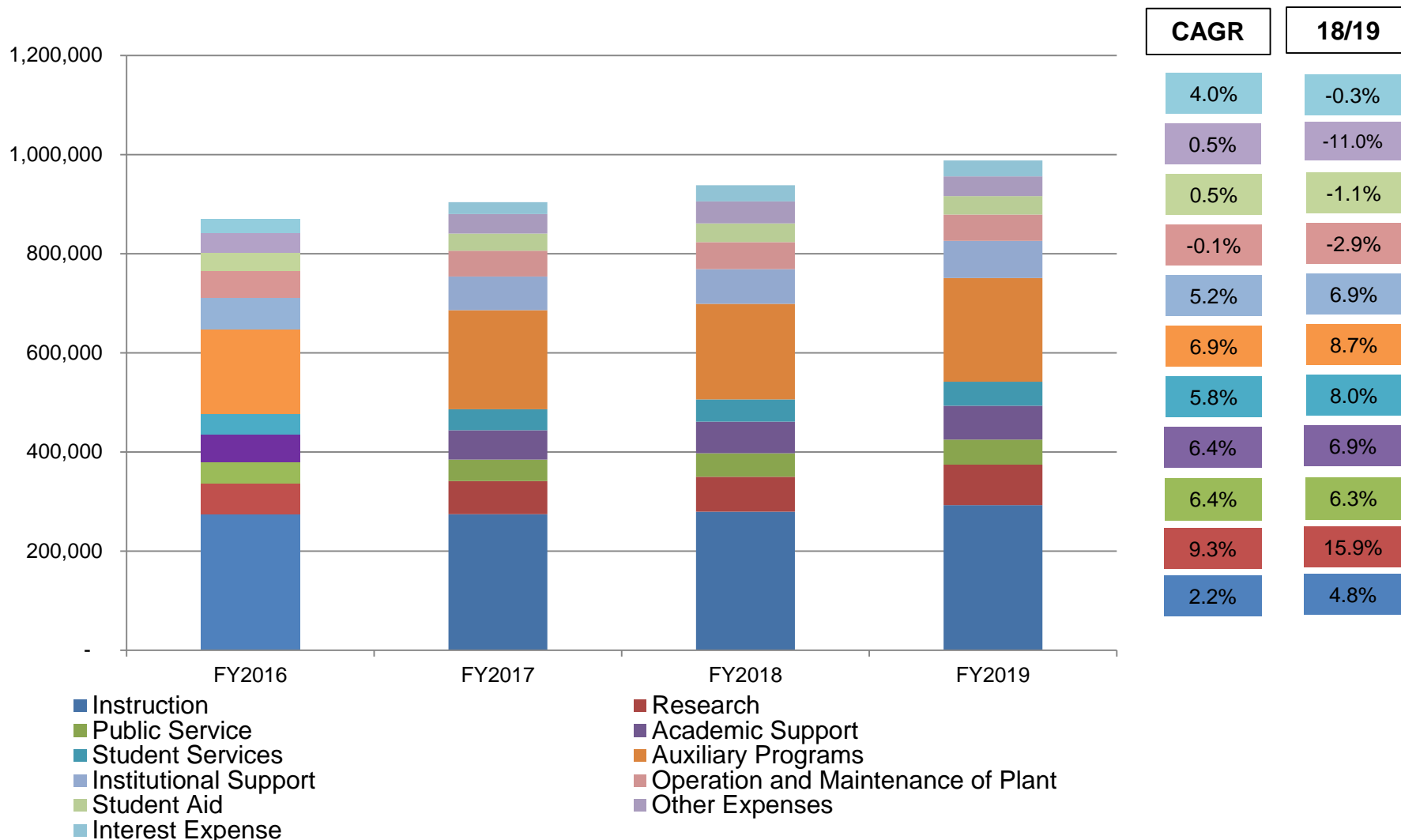
CAGR	18/19
54.0%	204.5%
11.1%	9.6%
23.8%	38.4%
3.8%	2.3%
6.2%	2.3%
0.5%	4.4%
5.9%	7.5%
0.6%	-1.0%

- Student Tuition and Fees, net
- Grants and Contracts
- Educational Sales & Services
- Auxiliary Enterprises
- Government Appropriation
- Investment Activity
- Other Revenue
- Capital Grants and Gifts

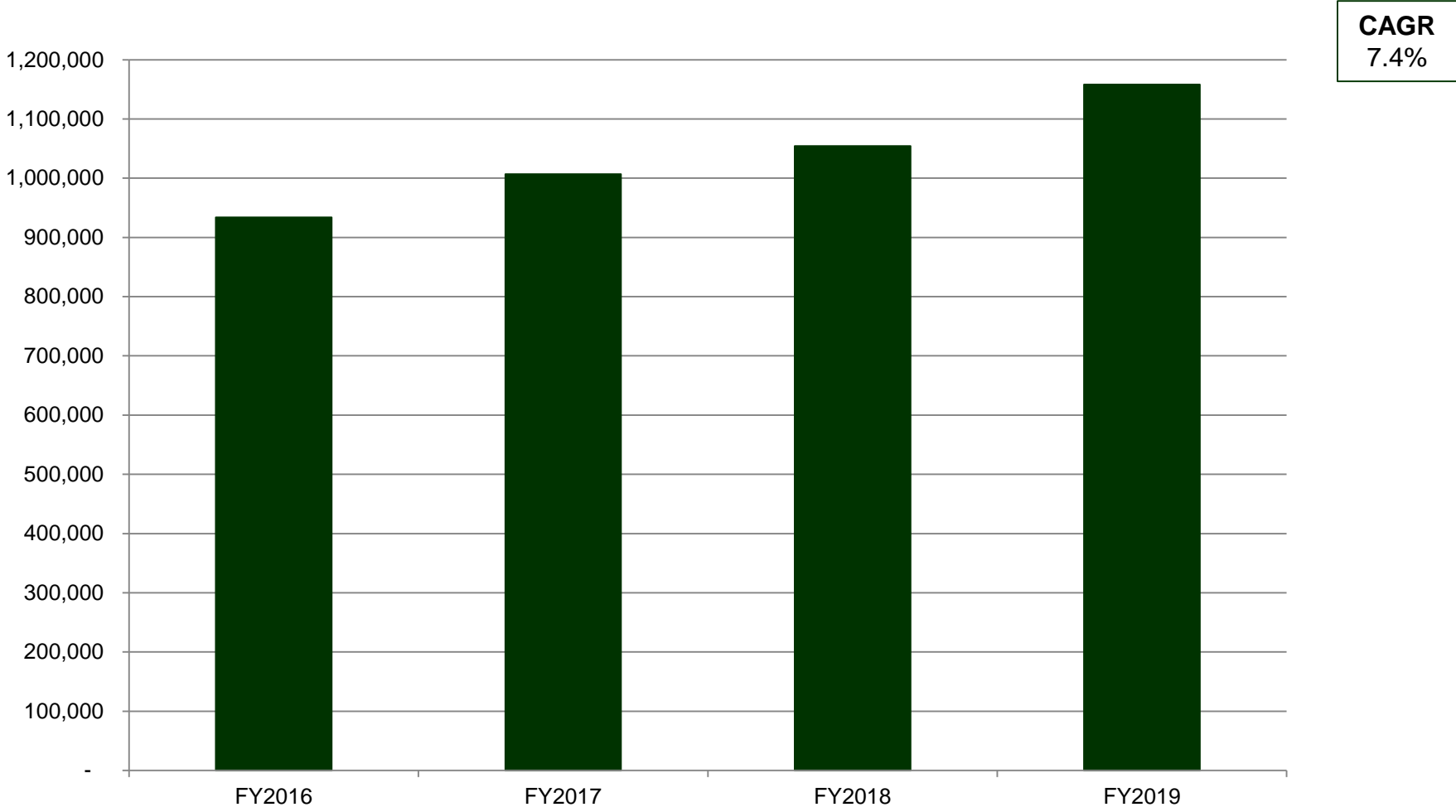
Four Year Expense Trend (in thousands, excluding GASB 68/75 and Special Items)



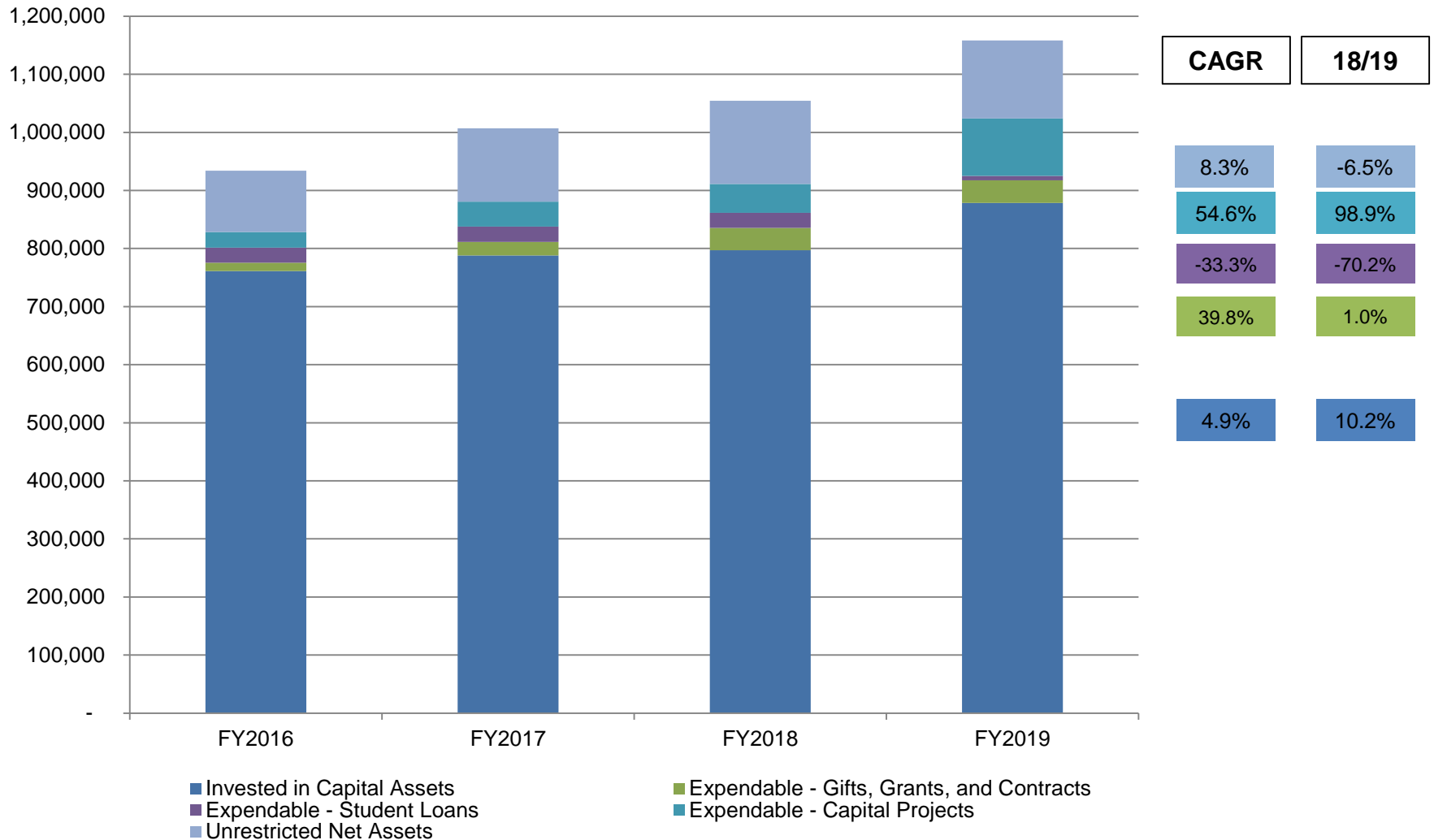
Expenses by Programmatic Use (in thousands, excluding GASB 68/75 and Special Items)



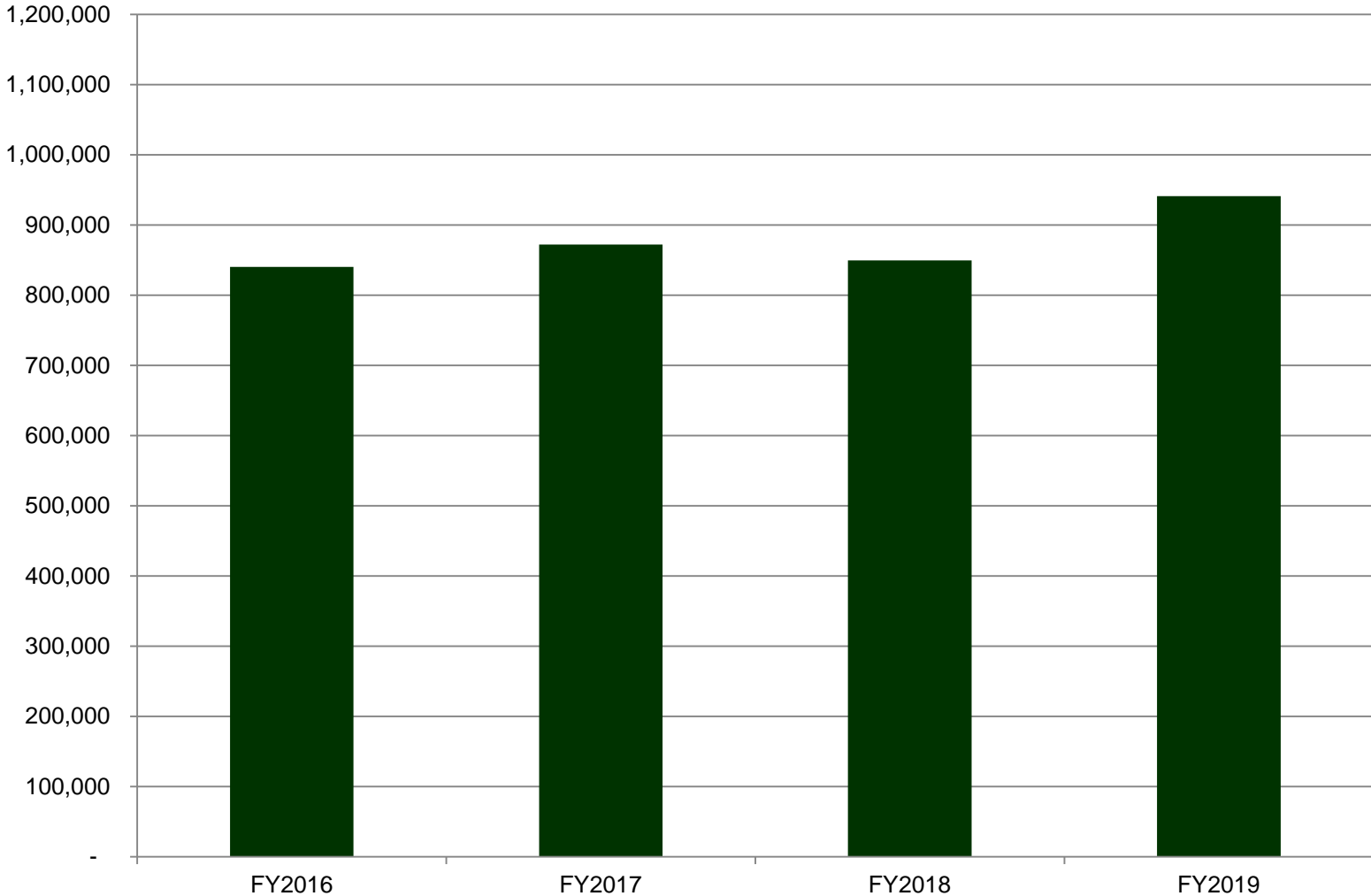
Net Position (in thousands, excluding GASB 68/75)



Net Position by Category (in thousands, excluding GASB 68/75)

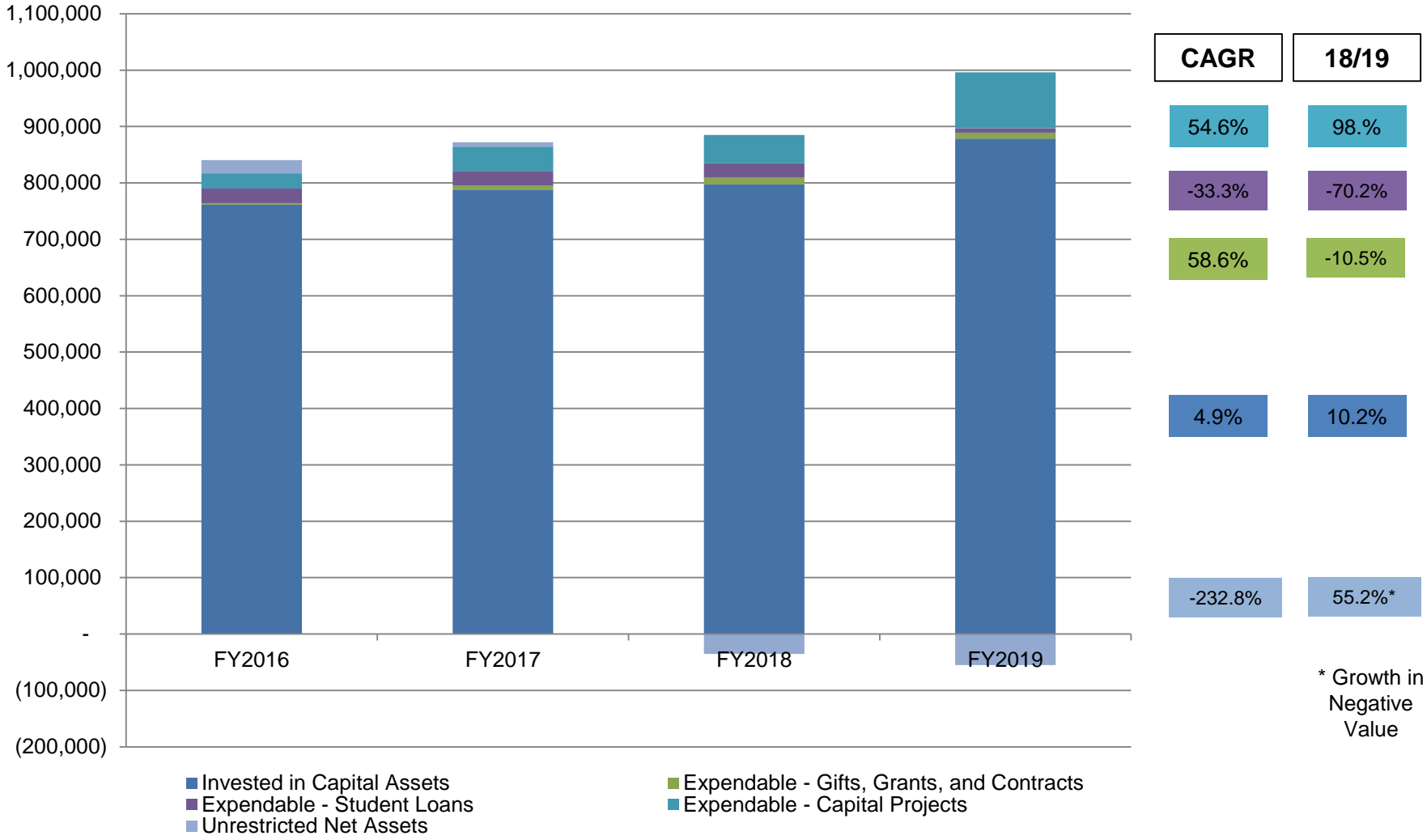


Net Position (in thousands, including GASB 68/75)



CAGR
3.9%

Net Position by Category (in thousands, including GASB 68/75)



Capital Assets (in thousands)

	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>
Equipment	120,057	127,899	132,073	134,900
Collections	41,371	42,593	43,291	46,680
Library	130,459	131,877	133,369	135,122
Buildings	1,633,514	1,748,466	1,837,949	1,977,316
Land	96,961	100,240	93,812	97,370
IOTB	11,220	11,360	11,074	11,877
Infrastructure	52,377	53,445	53,893	55,731
Intangible Assets	15,365	15,844	15,934	15,934
	<u>2,101,324</u>	<u>2,231,724</u>	<u>2,321,395</u>	<u>2,474,930</u>
Accumulated Depreciation	(694,876)	(753,276)	(803,940)	(863,845)
Net Capital Assets	<u>1,406,448</u>	<u>1,478,448</u>	<u>1,517,455</u>	<u>1,611,085</u>
Unspent Bond Proceeds	83,398	28,723	47,439	12,832
Capital Debt	(728,490)	(719,201)	(767,783)	(745,346)
Invested in Capital Assets	<u>761,354</u>	<u>787,970</u>	<u>797,111</u>	<u>878,571</u>

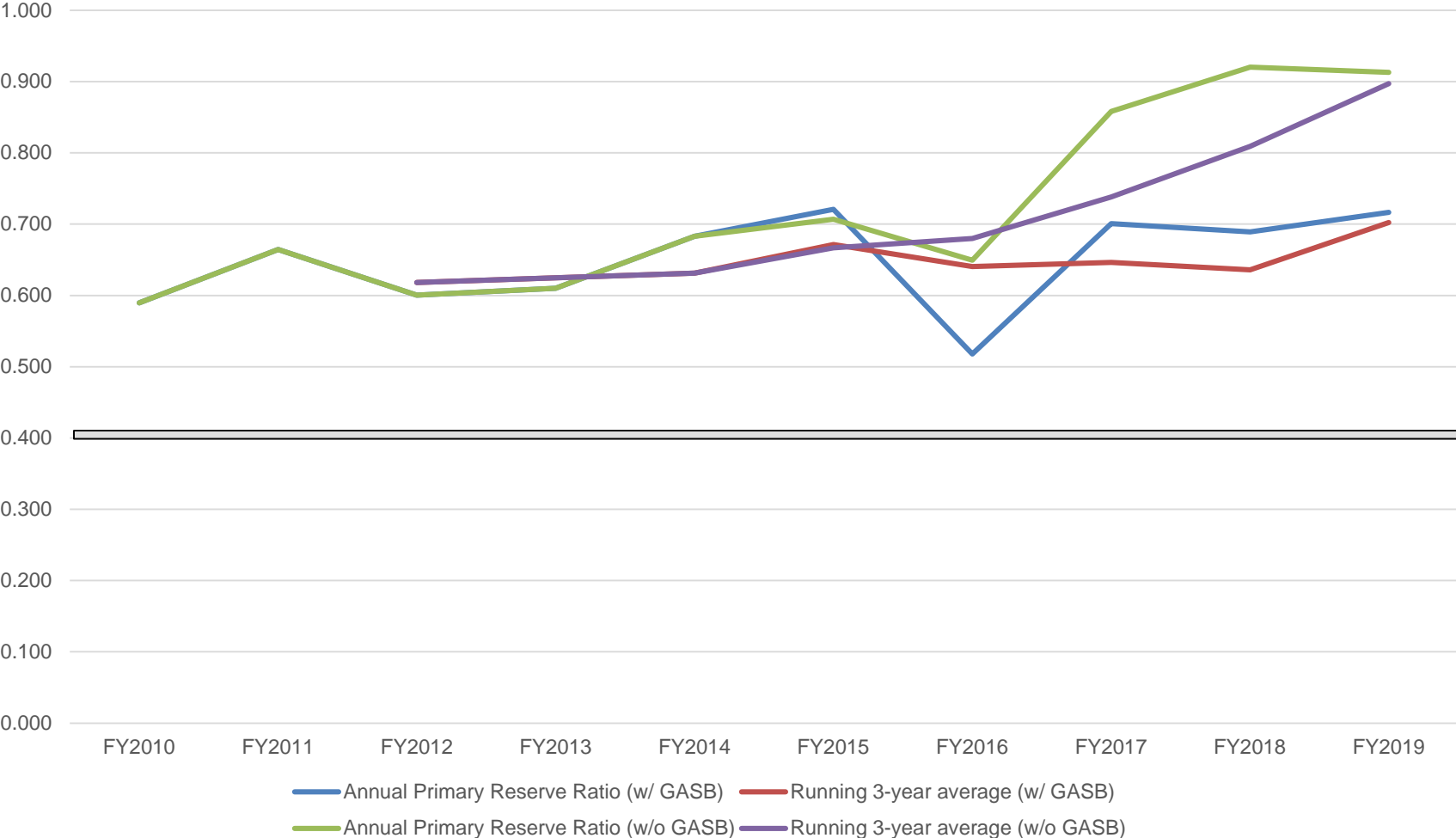
Four Year Summary Cash Flow (in thousands)

	FY2016	FY2017	FY2018	FY2019
Sources:				
Government Appropriations	66,562	68,532	72,698	74,397
Tuition and Fees	375,767	381,724	388,383	386,869
Gifts, Grants, and Contracts	239,548	255,636	261,200	368,623
Auxiliary Enterprises	178,584	189,527	198,240	211,933
Educational Department Sales & Services	16,452	15,430	15,905	16,835
Proceeds from Capital Debt Issuance	72,285	-	70,693	-
Investment Sales and Earnings	42,686	28,323	22,388	15,308
Other Operating Receipts	12,515	18,470	14,915	2,022
	<u>1,004,399</u>	<u>957,642</u>	<u>1,044,422</u>	<u>1,075,987</u>
Uses:				
Compensation and Benefits	(577,271)	(602,158)	(607,244)	(650,395)
Payments to Suppliers	(167,699)	(186,010)	(190,957)	(190,257)
Student Financial Aid	(36,737)	(33,675)	(36,420)	(36,953)
Purchase/Construction of Capital Assets	(125,581)	(103,404)	(110,330)	(153,723)
Payments on Capital Debt (P+I)	(83,460)	(22,809)	(53,725)	(55,580)
Purchases of Investments	-	(60,000)	(60,025)	(5,025)
	<u>(990,748)</u>	<u>(1,008,056)</u>	<u>(1,058,701)</u>	<u>(1,091,933)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	<u>13,651</u>	<u>(50,414)</u>	<u>(14,279)</u>	<u>(15,946)</u>
Beginning Balance	329,361	343,012	292,598	278,319
Ending Balance	<u>343,012</u>	<u>292,598</u>	<u>278,319</u>	<u>262,373</u>

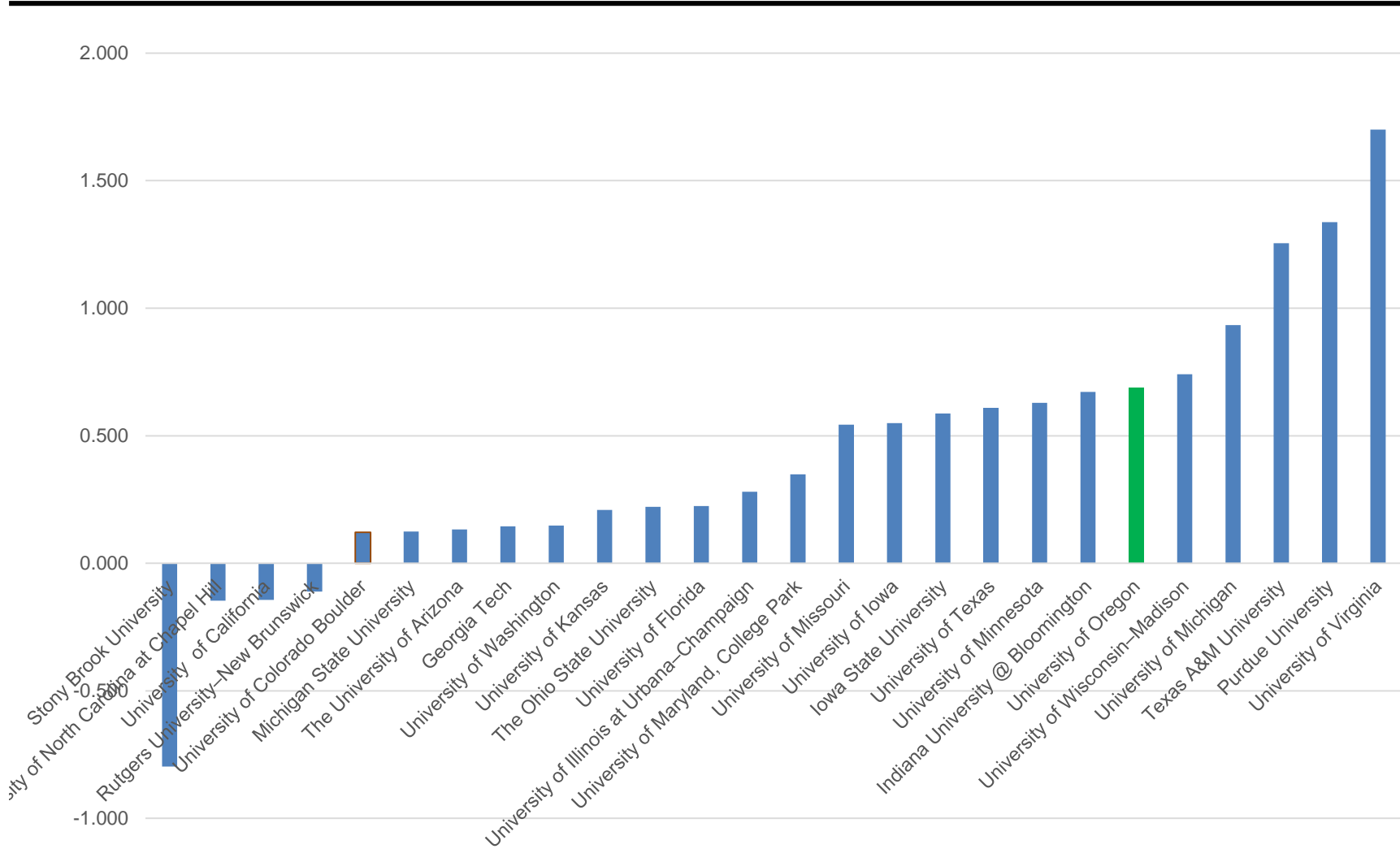
Primary Reserve Ratio

- Compares expendable net assets to total expenses
- Expendable net assets:
 - Restricted-Expendable for Gifts, Grants, and Contracts
 - Restricted-Expendable for Student Loans
 - Restricted-Expendable for Capital Projects
 - Unrestricted Net Assets
 - UOF Net Assets Without Donor Restrictions
 - UOF Net Assets Restricted by Purpose
 - UOF Net Assets Restricted by Time (including non-endowment pledges)
- Indicates how long the institution could function using its expendable reserves (including restricted monies for appropriate expenses) without relying on additional net assets generated by operations.
- A threshold level of .40x is recommended

Primary Reserve Ratio



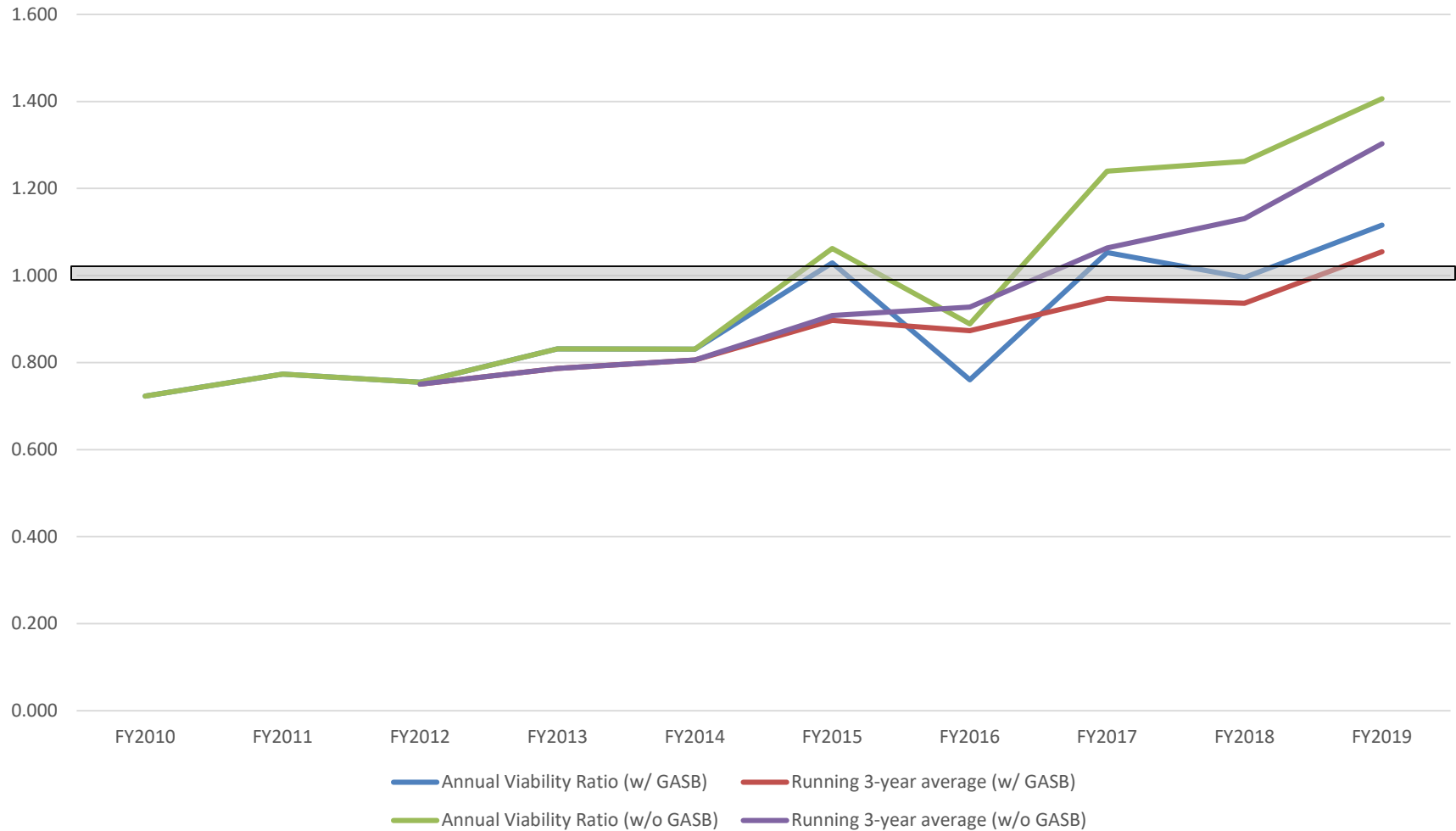
Primary Reserve Ratio – FY18 Comparison to other AAU



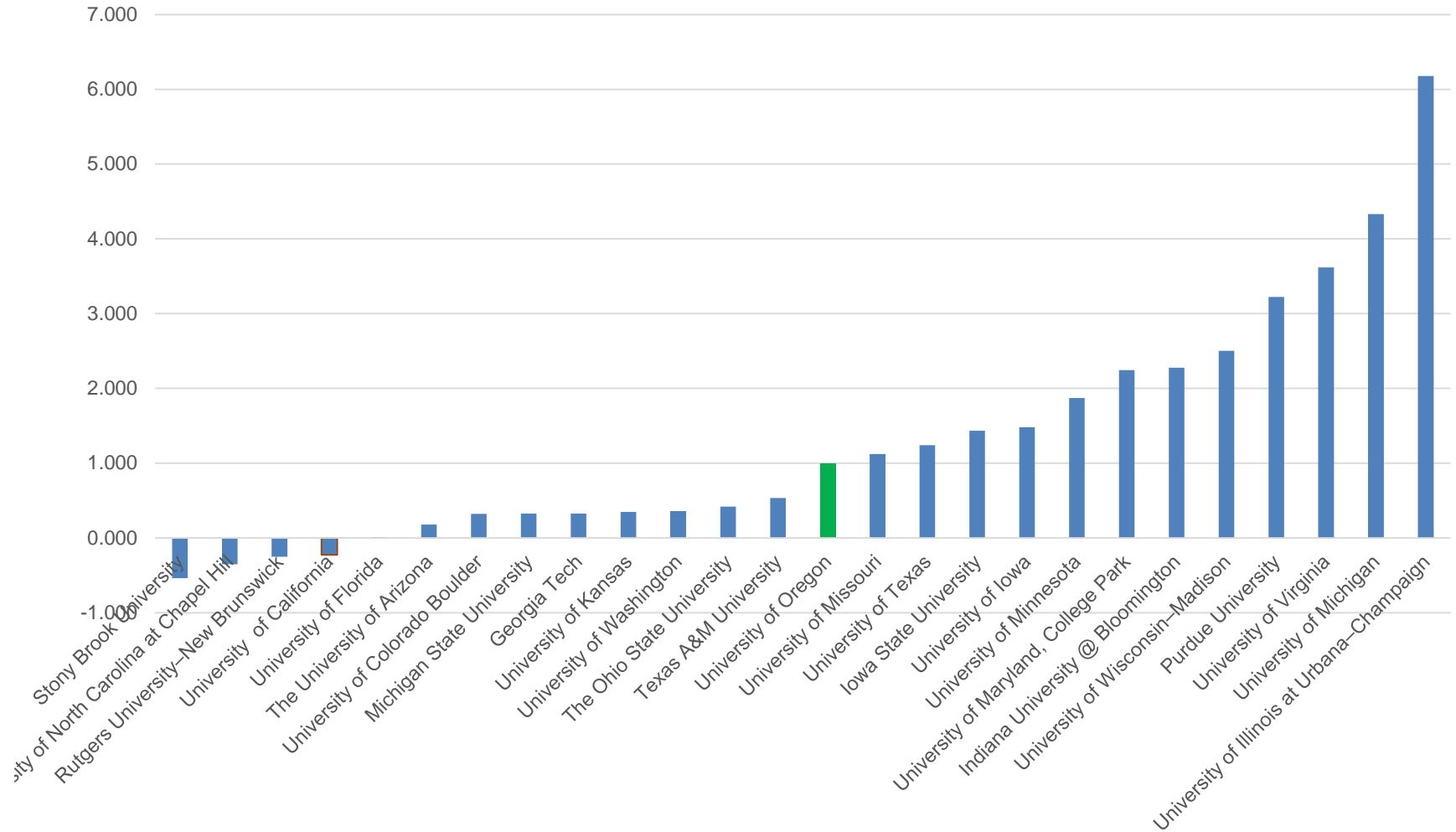
Viability Ratio

- Compares expendable net assets (UO and UOF) to plant-related debt
- Indicates ability to settle long-term obligations as of the balance sheet date
- A ratio of 1:1 means full ability to cover debts at a specific date, but is not necessarily a firm or recommended threshold

Viability Ratio



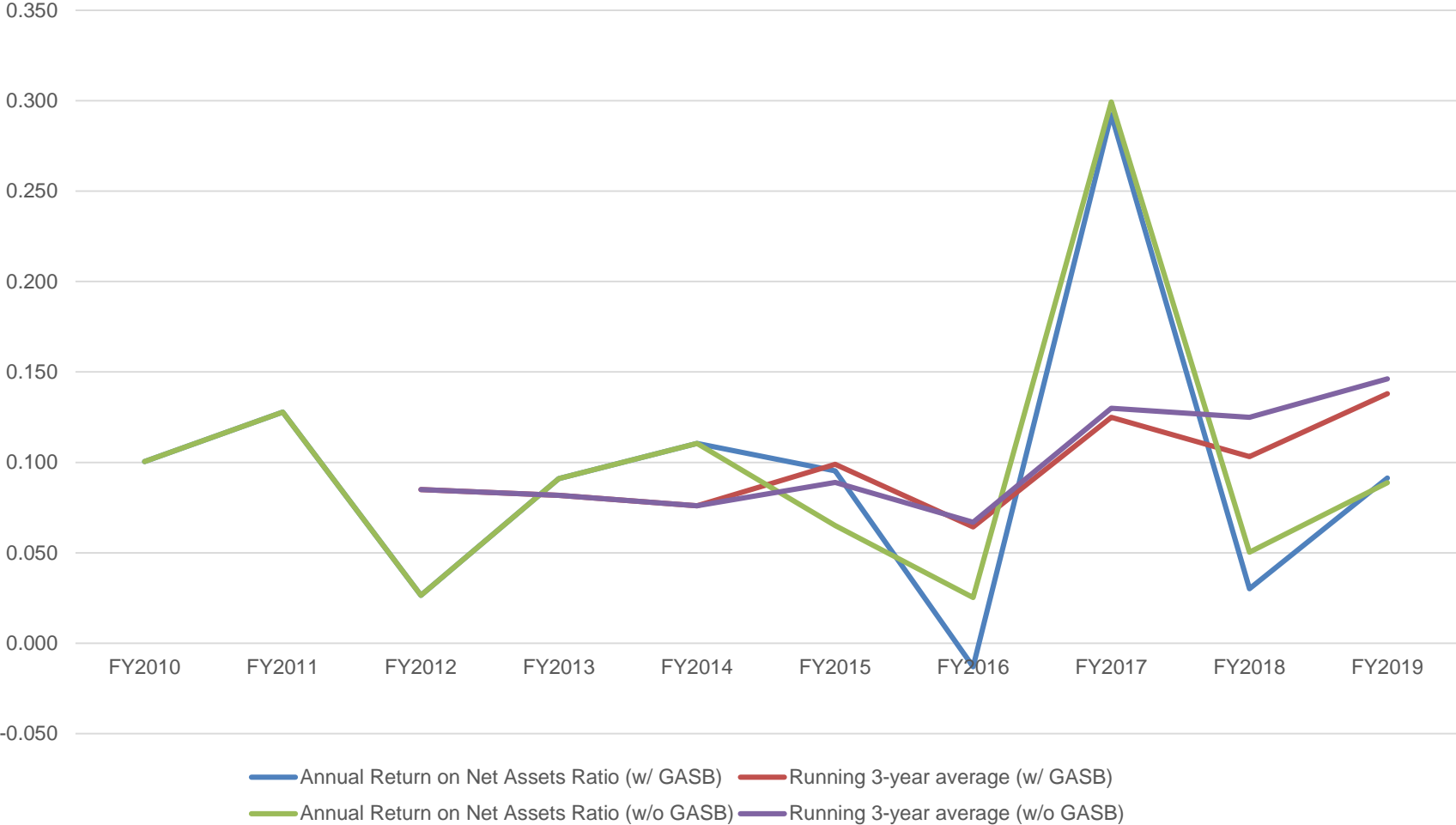
Viability Ratio – FY18 Comparison to other AAU



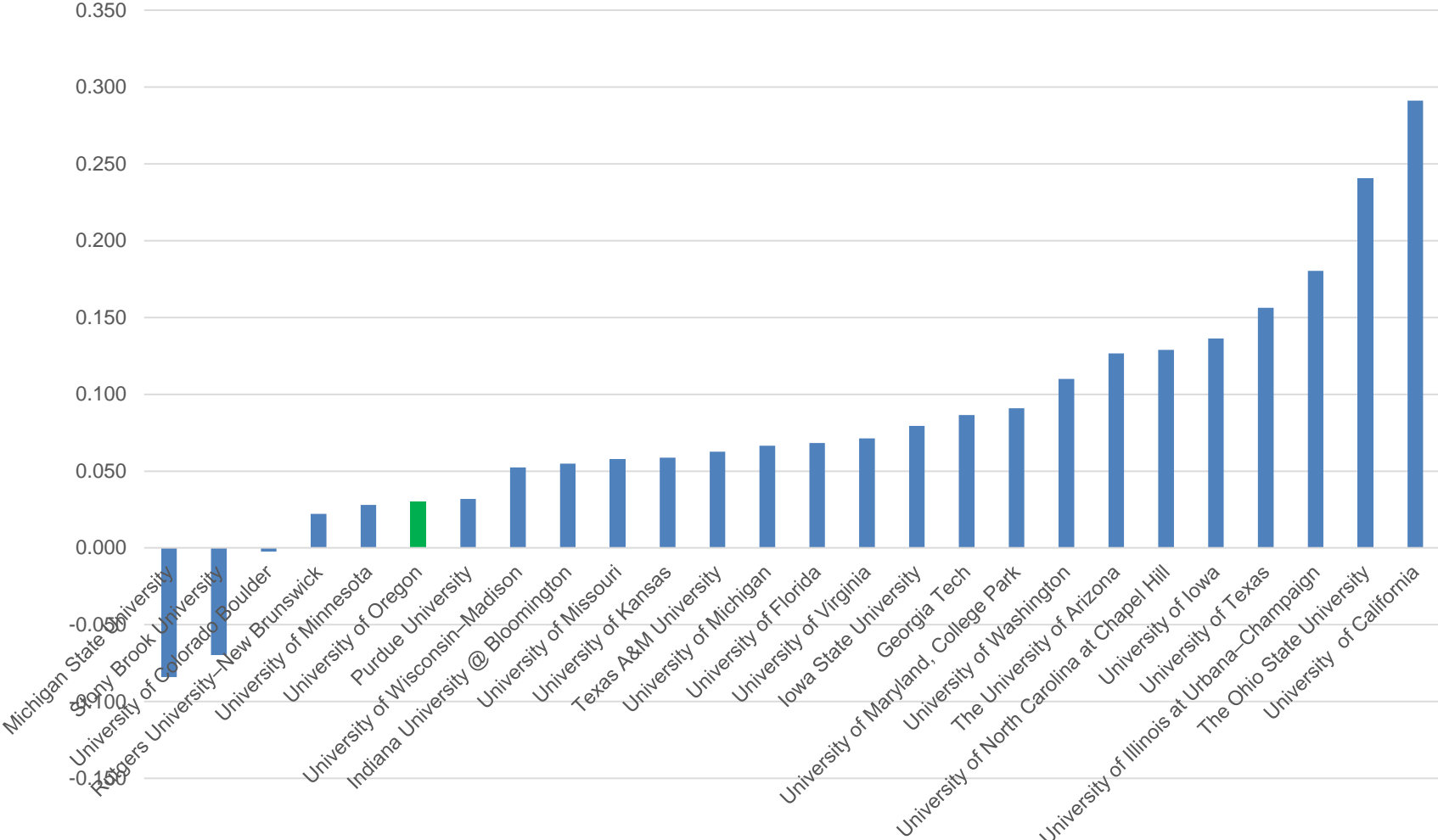
Return on Net Assets Ratio

- Compares the annual change in net assets to the total net assets at the beginning of the year
- Indicates total economic return of the institution
- There is no industry-specific recommended threshold. Rather, this ratio should be reviewed over an extended period and in terms of trend direction.
- Includes net assets of both the UO and UO Foundation

Return on Net Assets Ratio



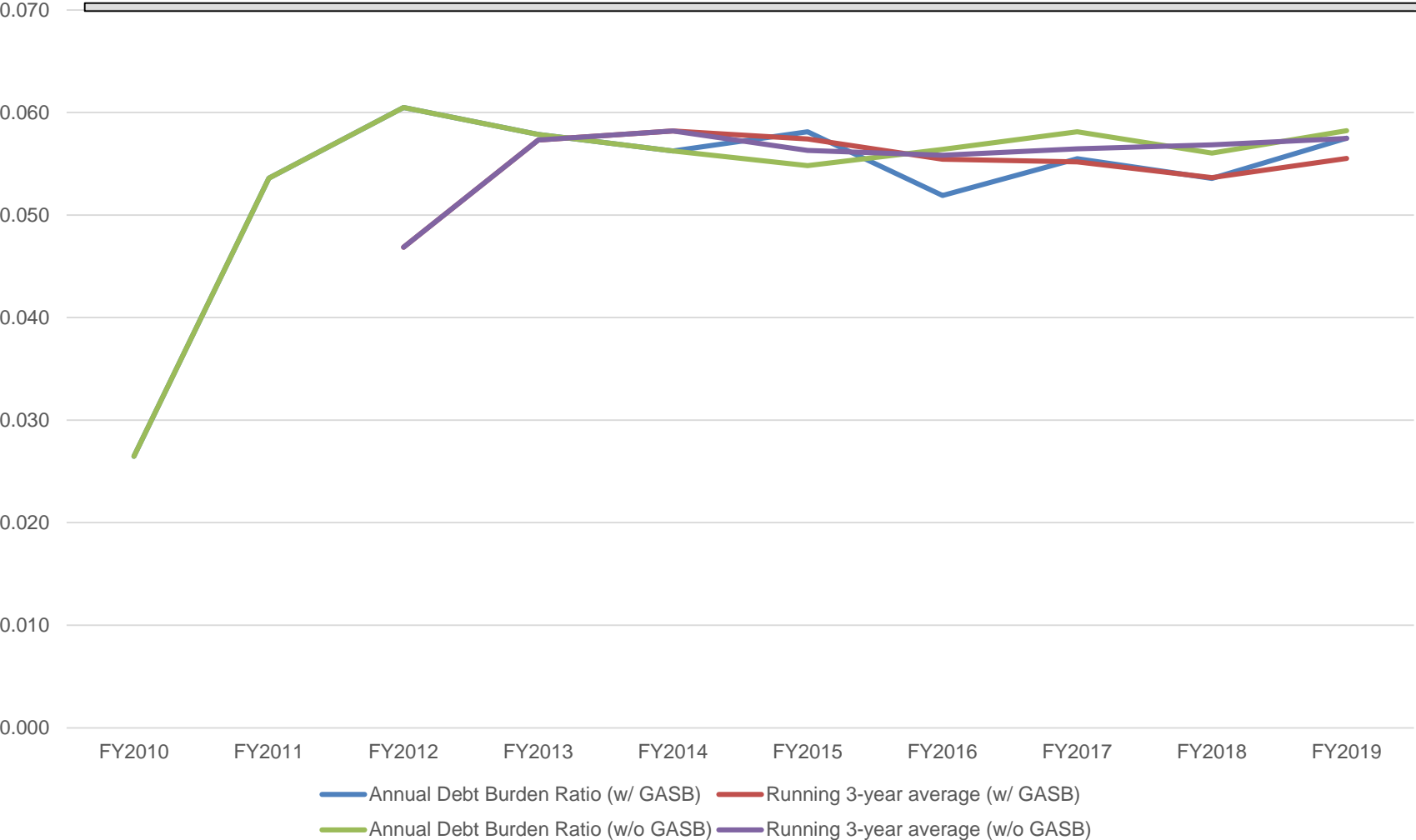
Return on Net Assets Ratio – FY18 Comparison to other AAU



Debt Burden Ratio

- Compares debt service payments to total expenditures.
- Measures affordability of debt, and the institution's reliance on debt to finance the mission.
- The industry generally considers a ratio value of .07 to be the long-term recommended threshold for this ratio. There are times the ratio may exceed .07 for strategic or mission-critical uses of debt.

Debt Burden Ratio



On the Horizon

- Hayward Field is scheduled for a Spring, 2020, opening. This substantial gift will be recorded as a Capital Gift on the SRECNP, and an increase to Capital Assets on the SNP.
- GASB 84 will be effective with the FY2020 financial statements. Changes accounting and reporting requirements for fiduciary activities (i.e., monies held by the university for the benefit of other organizations such as student groups).
 - Additional lines on SNP and Statement of Cash Flow
 - Two additional schedules

On the Horizon

- GASB 87 will be effective with the FY2021 financial statements. Reclassifies all Leases to Long-Term Financing.
 - UO as Lessee
 - Effect on SNP – Creates an intangible capital asset and offsetting long-term liability
 - Effect on SRECNP – Changes Supplies and Services expense for lease payment to 1) Amortization Expense (principal) and 2) Interest Expense (imputed interest).
 - UO as Lessor
 - Effect on SNP – Creates Accounts Receivable and offsetting Deferred Inflow of Resources



Agenda Item #3

Bond Issuance Authorization

The Board of Trustees is asked to authorize the issuance of general obligation revenue bonds in an amount not to exceed a par amount of \$120,000,000. 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 University Housing for Phase 1 of the housing transformation project, which includes construction of a new residence hall on the "Humpy Lumpy Lawn" at the corner of 15th and Agate and planning and design for the reconstruction of Walton Hall. These phases of the overall project were authorized at the September Board of Trustees meeting with an anticipated budget not to exceed \$101,000,000. University Housing will repay the internal bank from student room and board revenues. The remainder of the bond proceeds will be used for various smaller projects and to cover costs related to the bond sale.

The bond issuance is expected to occur in early 2020, but not later than June 30, 2020, with a final maturity before calendar year-end 2050. Debt service on amortizing debt is estimated to be \$7.8-\$8.7 million per year or, if an interest-only structure is used, annual interest payments are likely to be approximately \$6.0 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. As with prior bond issuance resolutions, it also 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 Treasury Management Policy's guidelines for liability management state that the Board will consider three things, outlined below along with relevant information, 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

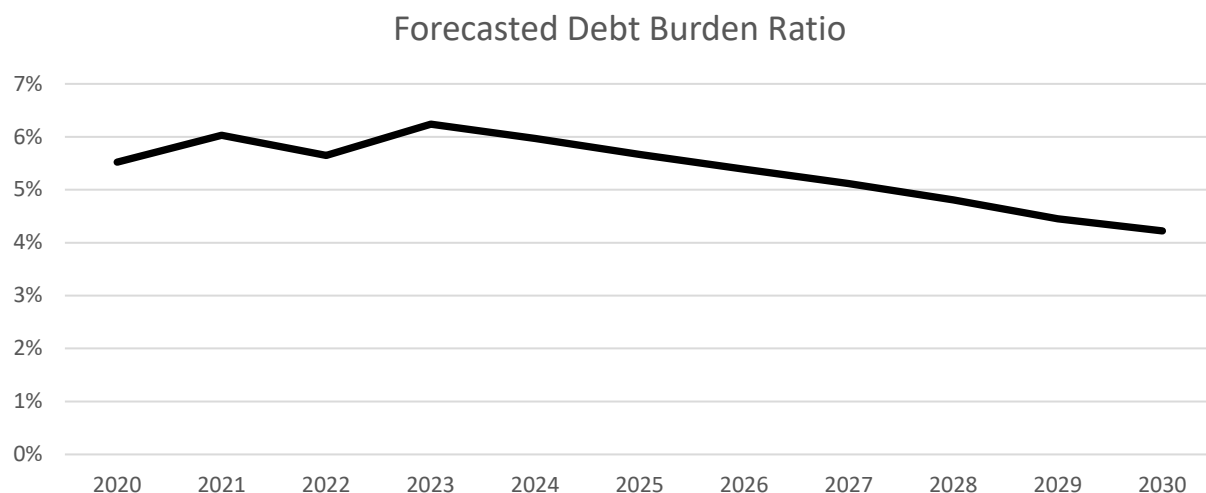
- The effective interest cost for the transaction will be based upon many factors that will be unknown until the time of the sale including: structure and maturity, use of taxable versus tax-exempt debt, credit rating, pricing and demand, and market conditions at time of sale.
- It is impossible to accurately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

	30-Year AA MMD*	Yield-To- Call	All-In TIC
2015A	3.18%	3.18%	4.14%
2016A	2.62%	2.63%	3.88%
2018A	2.76%	2.96%	4.02%
10/18/19	2.25%	--	--

*As of the Friday prior to pricing the bonds as published by Morgan Stanley

How the Transaction Affects UO’s Ability to Meet Existing Obligations

- This 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 7%. The forecast includes this sale as well as a planned sale in FY22. 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 may consider a bullet, barbell, or other custom structure if that better suits the university’s needs, and depending upon market conditions at the time of the sale.



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

Resolution: Authorization of 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 of the same character and tenor as the revenue bonds replaced;

WHEREAS, Section III.A 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 III.B 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 III.D.ii 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 \$120,000,000;

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

NOW, THEREFORE, the Finance and Facilities Committee hereby refers to the Board as a seconded motion this resolution, recommending adoption, 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 One Hundred Twenty Million Dollars (\$120,000,000) in aggregate principal amount of New Money Revenue Bonds under ORS 352 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, 2020.

(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 December 31, 2050.

(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.

6. Final Approval. 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.

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

Moved: _____ Seconded: _____

Trustee	Yes	No
Aaron		
Bragdon		
Colas		
Gonyea		
Kari		
Murray		
Schill		

Date: _____ Recorded: _____

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Treasury Operations Bond Authorization Request

December 2019

Jamie Moffitt, VPFA/CFO/Treasurer

Kelly B. Wolf, AVP/Controller

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

Treasury Management Policy

- 3.2. 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.
- 3.3. Debt is a limited resource and when contemplating the use of debt, the Board will consider:
 - 3.3.1. The impact of new liabilities on the University's ability to achieve its mission and strategic objectives;
 - 3.3.2. The cost of the capital funding source; and
 - 3.3.3. How the transaction affects the University's ability to meet its existing obligations

Request to Issue Bonds

The Board of Trustees is asked to authorize the issuance of general obligation revenue bonds in an amount not to exceed a par amount of \$120,000,000.

Capital Projects

- The largest recipient of funding is expected to be University Housing for Phase 1 of the housing transformation project
 - Construction of a new residence hall on the “Humpy Lumpy Lawn” at the corner of 15th and Agate
 - Planning and design for the reconstruction of Walton Hall
 - These phases of the overall project were authorized at the September Board of Trustees meeting with an anticipated budget not to exceed \$101,000,000
- Remainder of bond proceeds will be used for various smaller projects and to cover bond sale costs

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

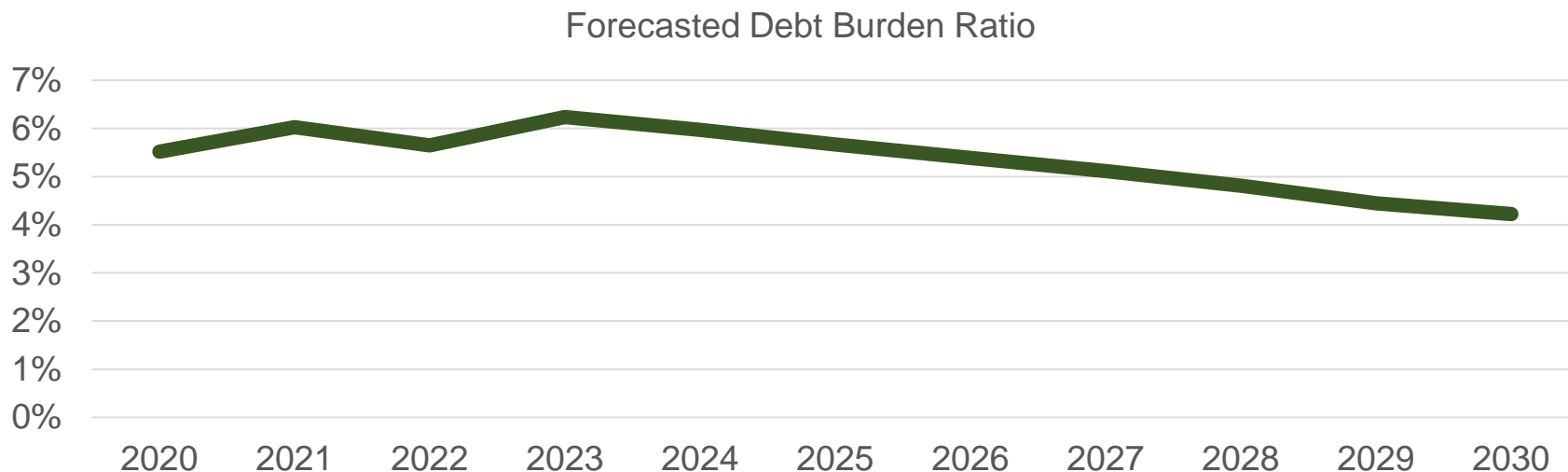
Cost of Capital Funding

- The effective interest cost for the transaction will be based upon many factors that are unknown until the time of the sale.
- It is impossible to accurately predict the all-in true interest cost of a future-dated sale, but for comparison:

	30-Year AA MMD*	Yield-To-Call	All-In TIC
2015A	3.18%	3.18%	4.14%
2016A	2.62%	2.63%	3.88%
2018A	2.76%	2.96%	4.02%
10/18/19	2.25%	-	-

*As of the Friday prior to pricing the bonds as published by Morgan Stanley

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



- This 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 7%. The forecast includes this sale as well as a planned sale in FY22.
- Industry experts state that institutions with debt burden ratios under 7% find it easier to issue additional debt.

Summary

- The Board of Trustees is asked to authorize the issuance of general obligation revenue bonds in an amount not to exceed a par amount of \$120,000,000.
- The resolution 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.



Agenda Item #4

Capital Planning Annual Report

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UNIVERSITY OF OREGON

University of Oregon Ten-Year Capital Plan

December 9, 2019

Presentation to the Finance and Facilities Committee
of the UO Board of Trustees

Michael Harwood, FAIA
AVP for Campus Planning and Facilities Management

Agenda

- Project Dashboard
- Project Escalation
- Capital Plan Criteria and Overview
- Capital Plan Category Description
- Additional Considerations
 - Sustainability
 - Deferred Maintenance
 - Funding Sources
 - University Debt

Project Dashboard

	Project Name	Substantial Completion Date	BOT /Legislature Approved Budget	Current Project Budget	Project Square Footage	Cost per Square Foot	Budget Comparison to BOT/Legislature Budget	Schedule performance	Meets Program Needs	Unanticipated / Deferred Maintenance Issues	LEED Certification	Comments
HISTORICAL	Student Rec. Expansion	Jan 2015	\$ 50,250,000	\$ 52,880,017	139,834	\$ 379.31	●	●	●	●	Platinum	Added replacement of Turf Field #2
	Stroube Hall Deferred Maintenance	Mar 2015	\$ 20,790,300	\$ 21,519,000	43,361	\$ 496.28	●	●	●	●	Gold	1715 Lease Costs not forecasted.
	Stroube Hall Addition	Mar 2015	\$ 22,000,000	\$ 22,974,605	59,570	\$ 385.68	●	●	●	●	Gold	Added classroom scope (skylights, etc.)
	Central Kitchen / Woodshop	Mar 2016	\$ 8,500,000	\$ 8,890,040	21,592	\$ 411.74	●	●	●	●	Targeting Gold	Cost Control included removal of emergency generator. Schedule delay impacted by failed initial Design/Bid/RFP process. Final LEED certification still in process.
	Jane Sanders Stadium	Mar 2016	\$ 16,590,000	\$ 17,200,000	27,336	\$ 629.21	●	●	●	●	Gold	Square Footage Calculation does not include Field Area. Impacts cost/bf.
	TMU Renovation & Addition	Jun 2016	\$ 95,000,000	\$ 98,762,185	209,943	\$ 470.42	●	●	●	●	Platinum	Added significant work at the Ballroom and other rooms on the third floor.
	Price Science Commons	Jun 2016	\$ 16,750,000	\$ 19,733,890	44,300	\$ 445.45	●	●	●	●	Gold	Added work associated with the Visualization Lab and Furniture. Significant amounts of deferred maintenance to major HVAC, Electrical and Structural systems impacted this project.
	Demick Hall	Jul 2017	\$ 8,725,000	\$ 8,787,000	9,819	\$ 892.90	●	●	●	●	N/A	
	Katagaya 18th Residence Hall	Jul 2017	\$ 45,000,000	\$ 44,851,123	136,053	\$ 328.24	●	●	●	●	Gold	
	Chapman Hall	Jan 2018	\$ 10,700,000	\$ 11,200,000	23,388	\$ 478.88	●	●	●	●	Targeting Gold	
Pacific Hall (Phase 1)	Feb 2018	\$ 16,900,000	\$ 22,120,000	31,305	\$ 705.24	●	●	●	●	N/A - Partial Reno		
Oregon Hall Renovation	Jan 2019	\$ 9,500,000	\$ 11,870,000	56,600	\$ 210.46	●	●	●	●	N/A - Partial Reno	Added Computing Center Help Desk to original project. Enrollment Management reorganizational adjustments which added scope.	
RECENTLY COMPLETED	Tyberon Hall	Jun 2019	\$ 34,300,000	\$ 45,580,000	64,000	\$ 712.19	●	●	●	●	Targeting Gold	Additional scope was added on January 2017, which included basement and 4th floor build out. Since the scope addition, both schedule and budget were achieved as the project came to a close.
	Bean Hall Renovation and Addition	Aug 2019	\$ 44,000,000	\$ 48,000,000	174,540	\$ 275.01	●	●	●	●	Targeting Gold	Additional fund source for Administrative Addition added to the original renovation scope.
ON-GOING	Knight Campus Bldg & Bridge	May 2020	\$ 2,250,000	\$ 213,500,000	173,030	\$ 1,186.43	●	●	●	●	Targeting Gold	Total CSF includes 2,719 SF for Bridge. Cost of excluded \$7.5M for land purchase.
	Millrace Drive Parking Structure (part of Knight campus project)	May 2020	Included in Knight campus above	\$ 22,400,000	118,980	\$ 188.27	●	●	●	●	Targeting Gold	This is part of the overall Knight Campus project.
	Kamath Hall - 3rd Floor	Mar 2020	\$ 18,700,000	\$ 22,900,000	25,000	\$ 916.00	●	●	●	●	N/A - Partial Reno	Delayed start and significant unanticipated infrastructure / deferred maintenance issues. Budget adjusted with Presidential approval in December 2017. Since approval, project is progressing on schedule and within the approved budget.
	University Health and Counseling	Mar 2020	\$ 18,800,000	\$ 18,800,000	39,700	\$ 473.55	●	●	●	●	N/A	Added in substantially complete and occupied. Working on Phase 2 renovation.
	Housing Transformation Project Ph1	Jun 2021	\$ 1,01,000,000	\$ 86,400,000	209,500	\$ 412.41	●	●	●	●	Targeting Gold	Along with Ph1, funding for Phase 2 Schematic Design also approved by BOT.
NEW	Oregon Asset to Research Laboratory	Dec 2021	\$ 8,750,000	\$ 8,750,000	TBD	TBD	●	●	●	●		Starting design
	Housing Transformation Project Ph2	May 2023	TBD	\$ 121,300,000	305,000	\$ 397.70	TBD	TBD	TBD	TBD		Design started
	Housing Transformation Project Ph3	Jul 2024	TBD	\$ 9,800,000	N/A	N/A	TBD	TBD	TBD	TBD		Open Space Improvements
	Zebra Fish Expansion	Sep 2023	TBD	\$ 8,560,000	\$ 10,670	\$ 817.57	TBD	TBD	TBD	TBD		
	Classroom and Faculty Office Building	TBD	TBD	\$ 56,700,000	60,000	\$ 945.00	TBD	TBD	TBD	TBD		Project on pause. Schematic design complete. Collier House relocation included in project budget.
	Auxiliary and Video Board	TBD	TBD	\$ 10,000,000	N/A	N/A	TBD	TBD	TBD	TBD		
Utility Infrastructure Phase 1	TBD	TBD	\$ 13,000,000	TBD	TBD	TBD	TBD	TBD	TBD			
Key Indicators												
●	N/A	N/A	N/A	N/A			Budget within 3% of BOT / IE/G or above 3% based upon program driven increases AND are under BOT approval levels	On Schedule	Program Maintained	All DM Issues Anticipated		
●	N/A	N/A	N/A	N/A			Additional funds above 3% (Not for Program Enhancements) but in or to BOT approval level	1-3 month delay	Minor loss of Program	Less than 5% Scope Increase due to unanticipated DM Issues		
●	N/A	N/A	N/A	N/A			Additional funds requiring BOT Approval	3 month or greater delay	Major loss of Program	More than 5% Scope Increase due to unanticipated DM Issues		

Project Escalation Tracking

Project	Final Budget	Project Area (\$/F)	Bid Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Escalation to 2019	NOTES
ANNUAL REGIONAL INFLATION RATES (Rates provided by Rider Levitt Buckna II)				-3.77%	0.32%	2.05%	0.87%	1.74%	6.02%	4.61%	4.58%	6.05%	6.50%	5.75%		
ACADEMICS																
\$/SF Project Cost																
FORD ALUMNI CENTER New Building	\$33,647,092	61,000	2009	\$ 552	\$ 553	\$ 565	\$ 570	\$ 580	\$ 634	\$ 643	\$ 672	\$ 713	\$ 750	\$ 808		Constructed over the parking garage
FENTON HALL* Deferred Maintenance	\$7,405,190	27,978	2010		\$ 265	\$ 270	\$ 272	\$ 277	\$ 294	\$ 307	\$ 322	\$ 341	\$ 363	\$ 384		Significant seismic upgrades
STRAUB HALL * Deferred Maintenance	\$21,519,000	43,361	2013					\$ 496	\$ 526	\$ 550	\$ 576	\$ 610	\$ 650	\$ 688		Includes seismic upgrades
STRAUB & EARL Classroom Expansion	\$22,974,665	59,570	2014						\$ 386	\$ 403	\$ 422	\$ 447	\$ 477	\$ 504		Very constrained site conditions
PRICE SCIENCE COMMONS Addition and Renovation	\$19,733,490	44,300	2015							\$ 445	\$ 466	\$ 494	\$ 526	\$ 596		Underground and difficult access; deferred maintenance upgrades, unique plaza/roof
OREGON HALL RENOVATIONS Renovation	\$11,870,000	56,400	2017									\$ 210	\$ 224	\$ 237		significant surging of staff
CHAPMAN HALL Renovation	\$11,200,000	23,388	2017									\$ 479	\$ 510	\$ 539		
TYKESON HALL New Building	\$42,548,000	64,000	2017									\$ 665	\$ 708	\$ 740		Added basement mid-way through design
RESEARCH and SCIENCE																
LEWIS INTEGRATIVE SCIENCE BLDG (LISB) New Building	\$67,332,604	129,000	2009	\$ 522	\$ 524	\$ 534	\$ 539	\$ 548	\$ 583	\$ 608	\$ 636	\$ 675	\$ 718	\$ 760		
PACIFIC HALL B-2 FLOOR LABS* Renovation/Deferred Maintenance - South Wing	\$22,120,000	31,365	2016								\$ 705	\$ 748	\$ 797	\$ 842		Significant deferred maintenance to MEP systems
KNIGHT CAMPUS Building and Bridge	\$213,500,000	173,630	2018										\$ 1,186	\$ 1,255		In Construction. Cost/sf excludes \$7.5M for property acquisition.
MILLRACE DRIVE - PARKING GARAGE (part of Knight Campus project)	\$22,400,000	118,980	2019										\$ 188	\$ 199		Started construction
KLAMATH 3RD FLOOR RENOVATION Renovation	\$22,900,000	25,000	2019										\$ 916	\$ 969		In construction
STUDENT SUPPORT																
SRC EXPANSION Addition - Student Rec	\$52,888,017	139,434	2012				\$ 379	\$ 386	\$ 400	\$ 428	\$ 448	\$ 475	\$ 506	\$ 536		
ERB MEMORIAL UNION Addition and Partial Renovation	\$98,762,185	209,943	2014						\$ 470	\$ 492	\$ 515	\$ 546	\$ 581	\$ 615		
OBF (OREGON BACH FESTIVAL) BERWICK HALL New Performing Arts Building	\$8,787,000	9,419	2015							\$ 933	\$ 976	\$ 1,035	\$ 1,102	\$ 1,165		Specialized rehearsal sound space
HOUSING																
GLOBAL SCHOLARS HALL New Residence Hall	\$62,008,389	204,863	2010		\$ 303	\$ 309	\$ 312	\$ 317	\$ 336	\$ 352	\$ 368	\$ 390	\$ 415	\$ 439		
CENTRAL KITCHEN/WOODSHOP New Building	\$8,890,240	21,592	2015							\$ 412	\$ 431	\$ 457	\$ 486	\$ 514		
KALAPUYA ILIHI HALL New Residence Hall	\$44,855,123	136,653	2016								\$ 328	\$ 348	\$ 371	\$ 392		Complicated building form due to solar access to the Many Nations Longhouse
BEAN HALL EAST/WEST RENOVATION Addition and Renovation	\$48,000,000	174,540	2018									\$ 275	\$ 293	\$ 310		In Construction
HOUSING TRANSFORMATION PROJECT Replacement Buildings (Hamilton and Walton)	\$217,500,000	515,000	2019											\$ 422		Started Ph1 construction (\$101M BOT Approved)
ATHLETICS																
BASEBALL PARK (PK PARK) New Stadium	\$19,113,820	48,005	2009	\$ 398	\$ 399	\$ 408	\$ 411	\$ 418	\$ 444	\$ 464	\$ 485	\$ 515	\$ 548	\$ 580		Square foot numbers represent the building, not the field
JANE SANDERS STADIUM New Stadium	\$17,200,000	27,336	2015							\$ 629	\$ 658	\$ 698	\$ 743	\$ 786		Square foot numbers represent the building, not the field

* Deferred Maintenance

Capital Plan Decision Criteria

- Supports
 - University Mission
 - Institutional Priorities
 - Research Areas of Focus
- Informed by
 - Building Condition Assessments
 - Infrastructure Assessment
 - Space Needs Analysis

Overview of Capital Development Plan

Task Name	Duration	Start	Finish	2016		2017		2018		2019		2020		2021		2022		2023		2024		2025		2026		2027		2028		2029		2030		2031		2032	
				H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2
Current Projects	1555 days	1/18/2016	12/31/2021	[Timeline bar from 2016 H1 to 2021 H2]																																	
Hayward Field Renovation - Foundation Project	1141 days	1/18/2016	6/1/2020	[Green bar from 2016 H1 to 2020 H1]																																	
Klamath Hall 3rd Floor	1131 days	4/1/2016	7/31/2020	[Green bar from 2016 H2 to 2020 H2]																																	
Knight Campus - Phase 1	984 days	10/18/2016	7/24/2020	[Green bar from 2016 H2 to 2020 H2]																																	
Millrace Drive - Parking Garage (part of Knight Campus project)	984 days	10/18/2016	7/24/2020	[Green bar from 2016 H2 to 2020 H2]																																	
Health and Counseling Addition	782 days	4/3/2017	3/31/2020	[Green bar from 2017 H1 to 2020 H1]																																	
Oregon Acoustic Research Laboratory	1131 days	9/1/2017	12/31/2021	[Green bar from 2017 H2 to 2021 H2]																																	
Housing Transformation Project Ph1	849 days	5/1/2018	7/30/2021	[Green bar from 2018 H1 to 2021 H2]																																	
Matthew Knight Arena Enhancements	500 days	1/1/2019	11/30/2020	[Green bar from 2019 H1 to 2020 H2]																																	
Planned and Likely Projects	1850 days	11/30/2017	1/1/2025	[Timeline bar from 2017 H2 to 2025 H1]																																	
Classroom and Faculty Office Building	1027 days	11/30/2017	8/31/2023	[Red bar from 2017 H2 to 2023 H2]																																	
Romania Site Development	1260 days	2/1/2018	11/30/2022	[Red bar from 2018 H1 to 2022 H2]																																	
Zebra Fish Expansion	1000 days	10/1/2019	7/31/2023	[Red bar from 2019 H2 to 2023 H2]																																	
Autzen Sound & Video Board Upgrade	218 days	10/16/2019	8/14/2020	[Red bar from 2019 H2 to 2020 H1]																																	
Utility Infrastructure Phase 1	913 days	10/29/2019	4/27/2023	[Red bar from 2019 H2 to 2023 H1]																																	
Housing Transformation Project Ph2	870 days	3/2/2020	6/30/2023	[Red bar from 2020 H1 to 2023 H2]																																	
Knight Campus - Phase 2 (Academic)	849 days	6/1/2020	8/31/2023	[Red bar from 2020 H2 to 2023 H2]																																	
Huestis Hall - Deferred Maintenance	1058 days	7/13/2020	7/31/2024	[Red bar from 2020 H2 to 2024 H2]																																	
Pacific Hall Phase 2 -Classroom 123 & Lobby	783 days	1/3/2022	1/1/2025	[Red bar from 2022 H1 to 2025 H1]																																	
Housing Transformation Project Ph3	410 days	2/6/2023	8/30/2024	[Red bar from 2023 H1 to 2024 H2]																																	
Potential Future Projects	3110 days	6/1/2020	4/30/2032	[Timeline bar from 2020 H1 to 2032 H2]																																	
Knight Campus - Phase 3 (Lab)	1305 days	6/1/2020	5/30/2025	[Blue bar from 2020 H1 to 2025 H2]																																	
East Campus Apartments	816 days	1/1/2022	2/14/2025	[Blue bar from 2022 H1 to 2025 H1]																																	
Utility Infrastructure Phase 2	914 days	7/1/2022	12/31/2025	[Blue bar from 2022 H2 to 2025 H2]																																	
Campus Heritage Project: Deady & Villard Halls - Deferred Maintenance	1037 days	7/9/2022	6/29/2026	[Blue bar from 2022 H2 to 2026 H1]																																	
Hendricks Hall - Deferred Maintenance	784 days	8/1/2024	8/3/2027	[Blue bar from 2024 H2 to 2027 H1]																																	
Klamath Hall - Deferred Maintenance	797 days	7/7/2026	7/25/2029	[Blue bar from 2026 H2 to 2029 H1]																																	
Condon Hall - Deferred Maintenance	763 days	7/1/2028	6/3/2031	[Blue bar from 2028 H1 to 2031 H1]																																	
Knight Library Commons & Off-site Storage	740 days	7/2/2029	4/30/2032	[Blue bar from 2029 H2 to 2032 H2]																																	

Overview of Capital Development Plan



■ Current Projects ■ Planned Projects ■ Potential Future Projects

Breakdown of Project Types

Project Types

- Academic Projects
- Student Services and Enrollment Management
- Athletics and Other Projects

Academic Project Breakdown

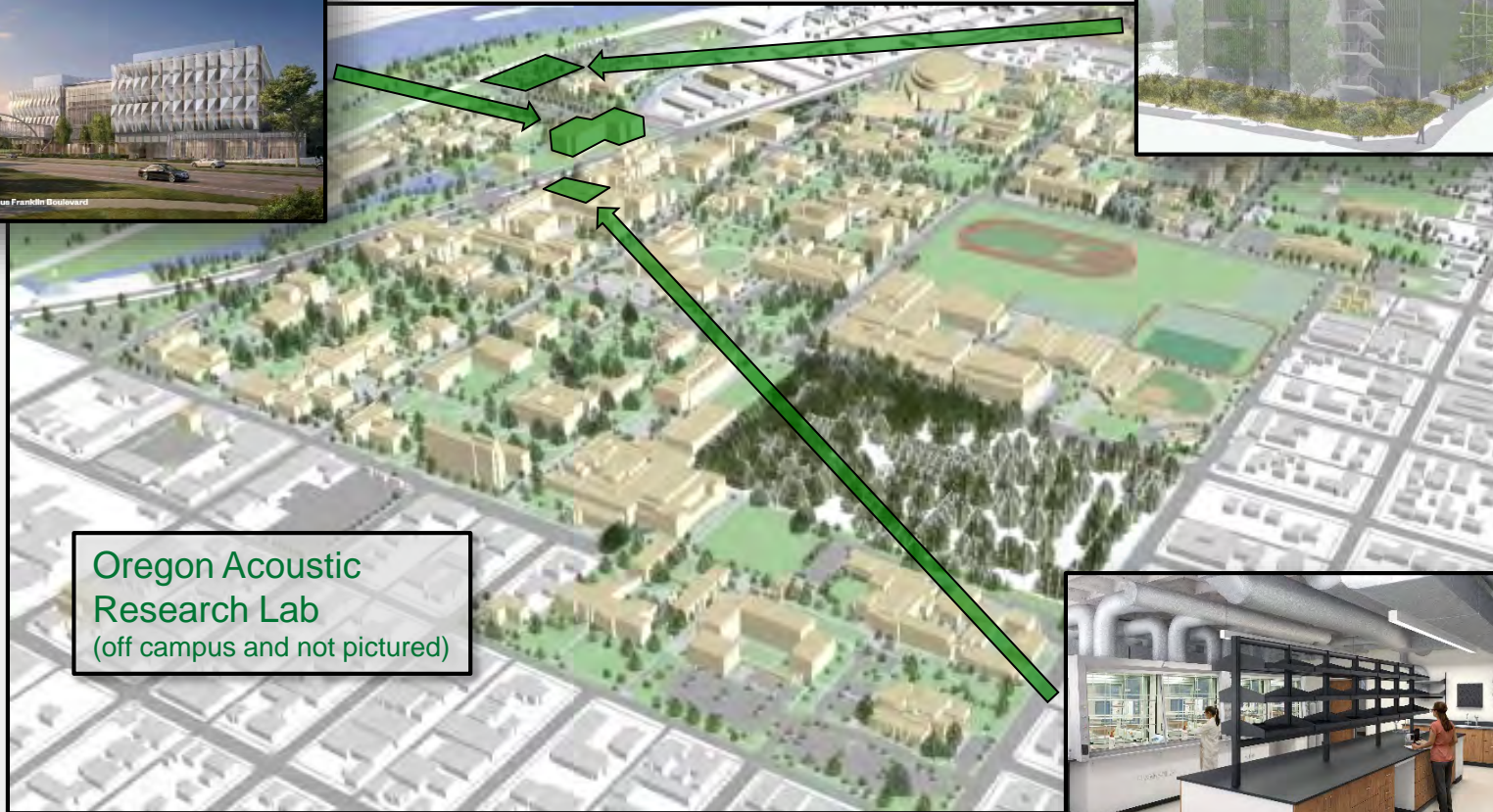
Task Name	2016		2017		2018		2019		2020		2021		2022		2023		2024		2025		2026		2027		2028		2029		2030		2031		2032				
	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2						
Current Projects																																					
Klamath Hall 3rd Floor																																					
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Condon Hall - Deferred Maintenance																																					
Knight Library Commons & Off-site Storage																																					

Current Academic Project Breakdown

Knight Campus – Phase 1



Millrace Drive Parking Garage
(part of Knight Campus project)



Oregon Acoustic
Research Lab
(off campus and not pictured)



Klamath Hall 3rd Floor
Renovation

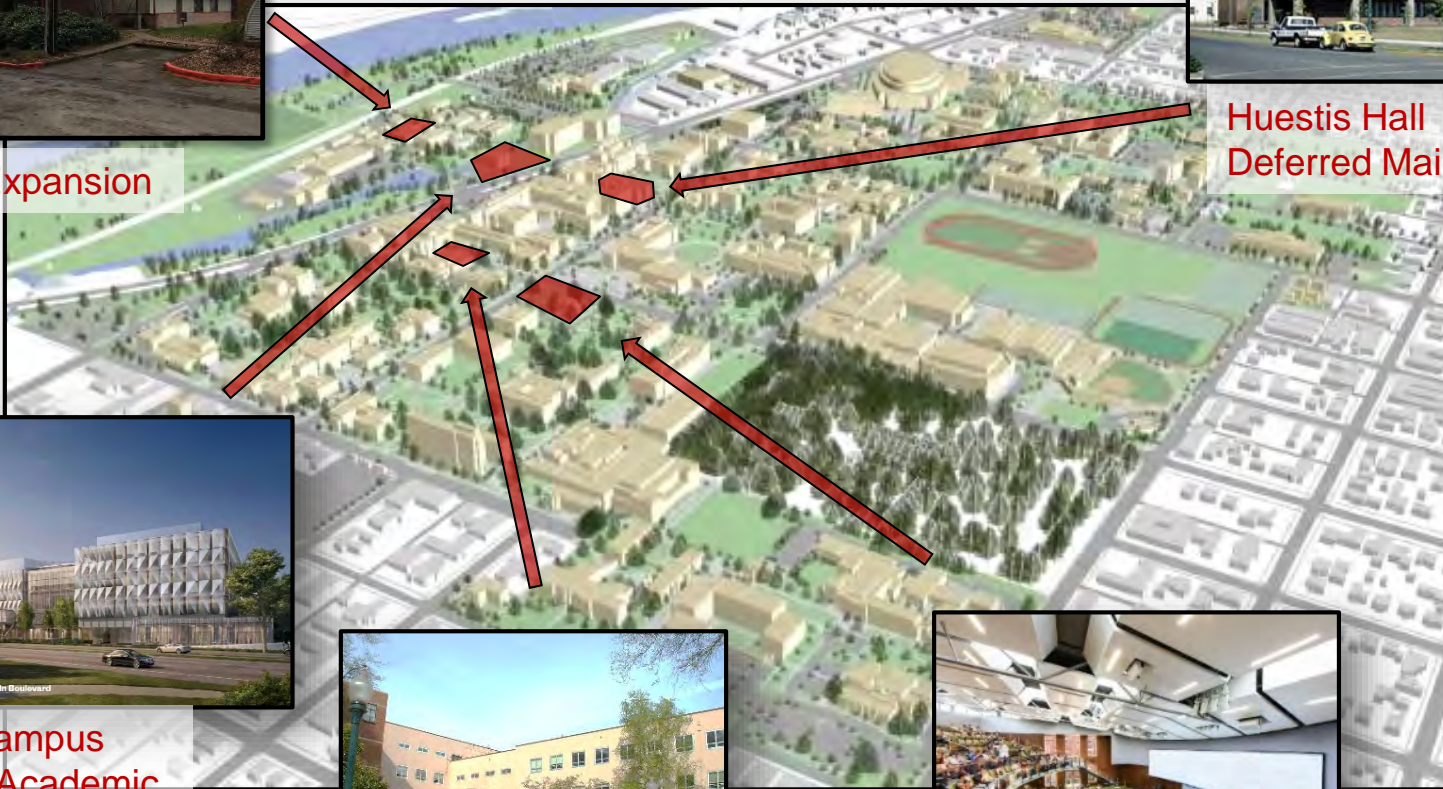
Planned and Likely Academic Project Breakdown



ZIRC Expansion



Huestis Hall
Deferred Maint.



Knight Campus
Phase 2 Academic



Pacific Hall Phase 2
Classroom 123 & Lobby



Classroom and
Faculty Office Building

Potential Future Academic Project Breakdown



Knight Campus Phase 3
Research Building



Klamath Hall
Deferred Maint.



Campus Heritage Project
– Deady and Villard Hall
Deferred Maintenance



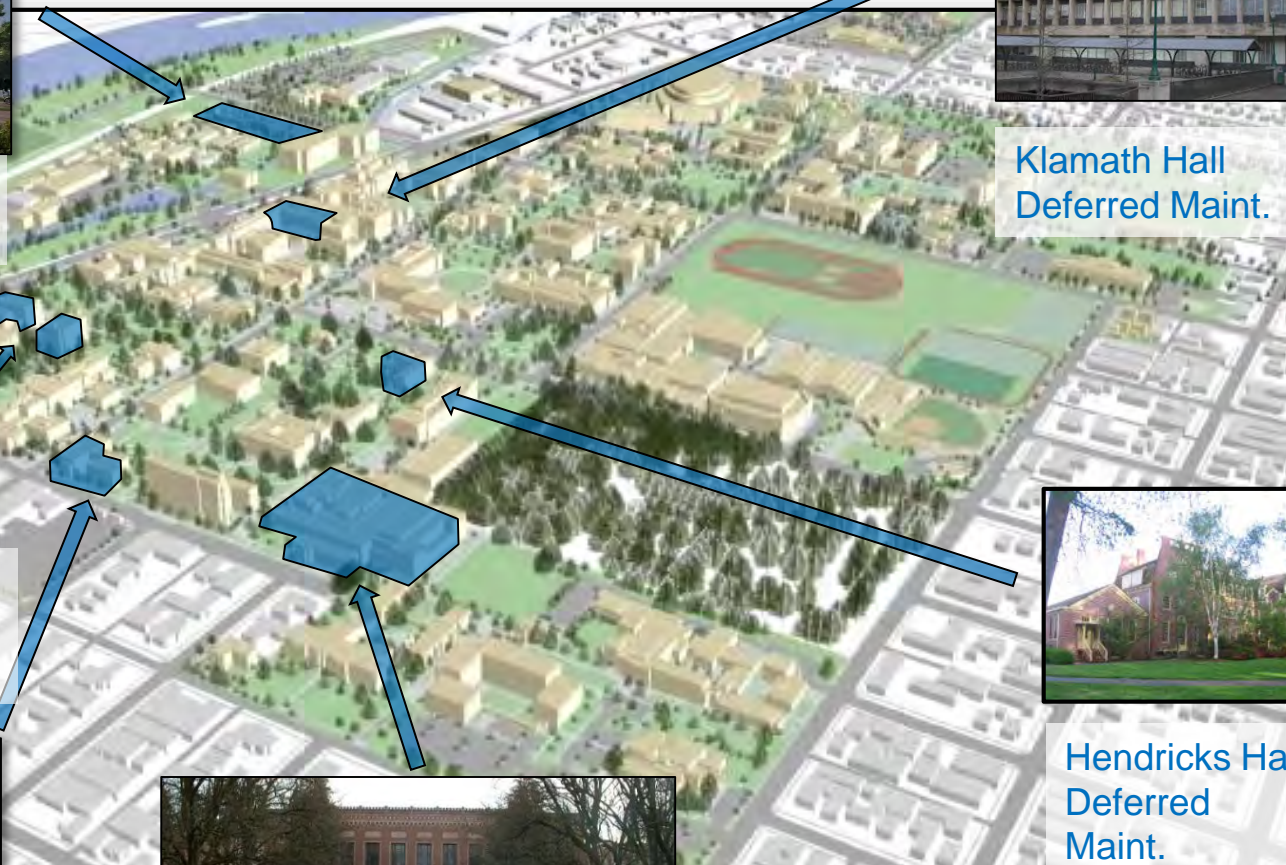
Hendricks Hall
Deferred
Maint.



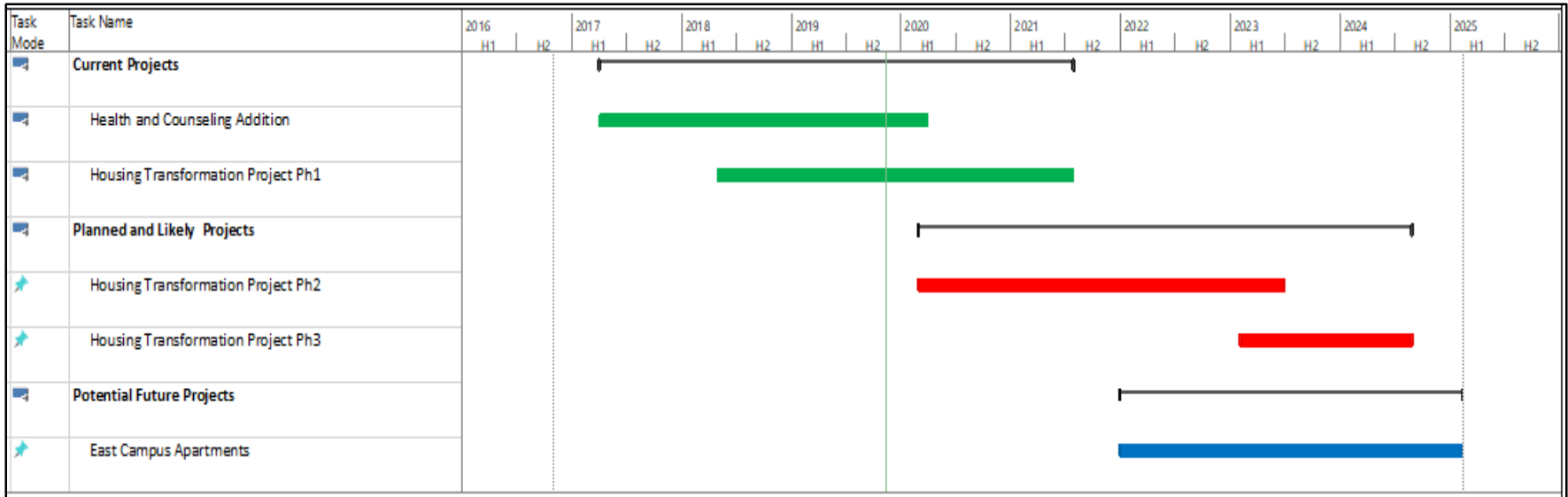
Condon Hall Deferred Maint.



Knight Library Commons &
Off-site Storage

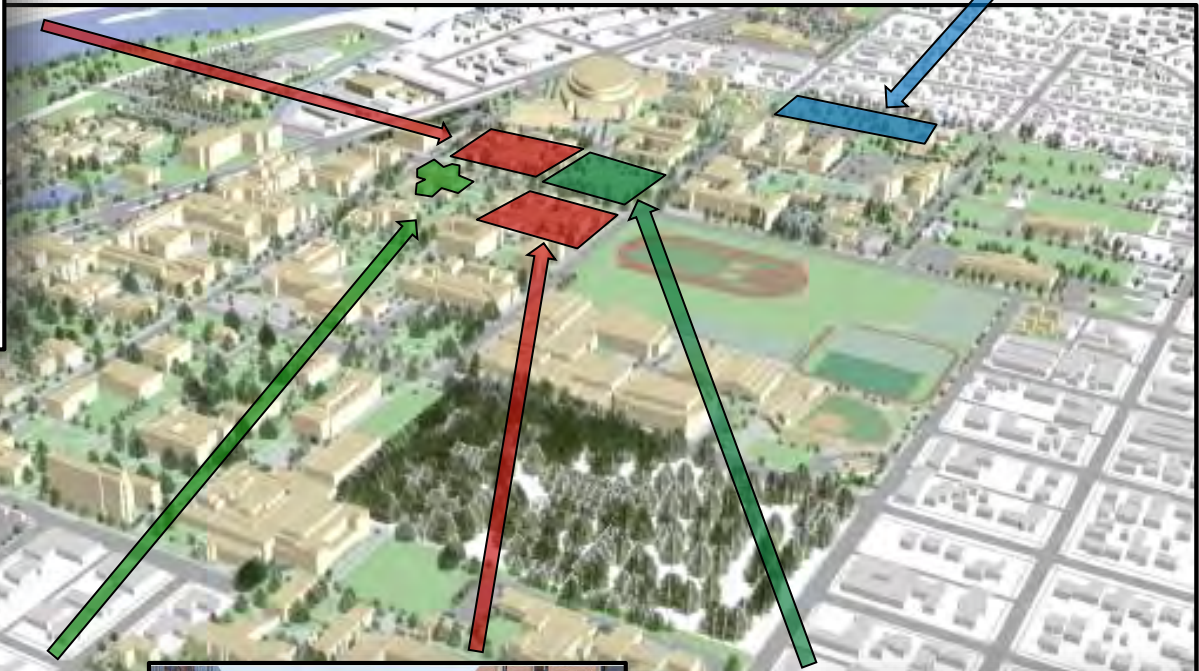


Student Services and Enrollment Management Project Breakdown



Student Services and Enrollment Management Project Breakdown

Housing Transformation Project – Ph3



East Campus
Apartments



University Health and
Counseling Addition

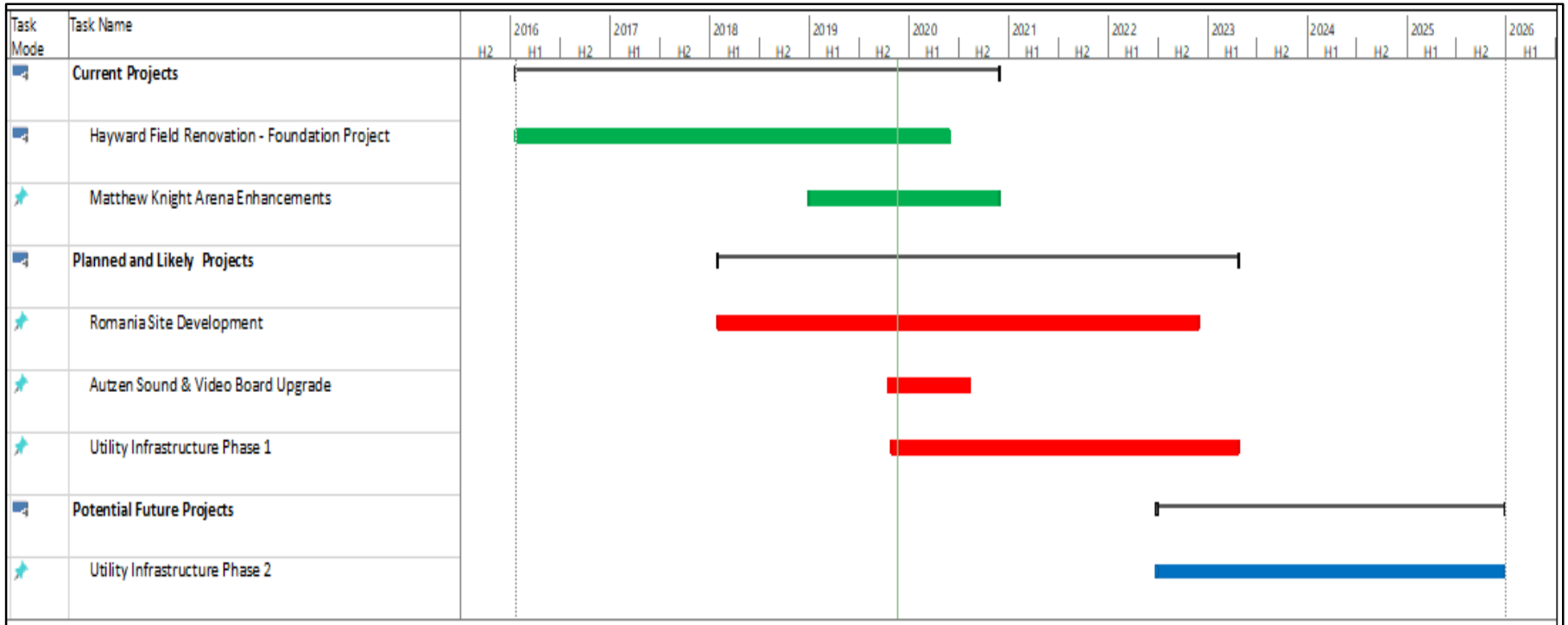


Housing Transformation
Project - Ph2

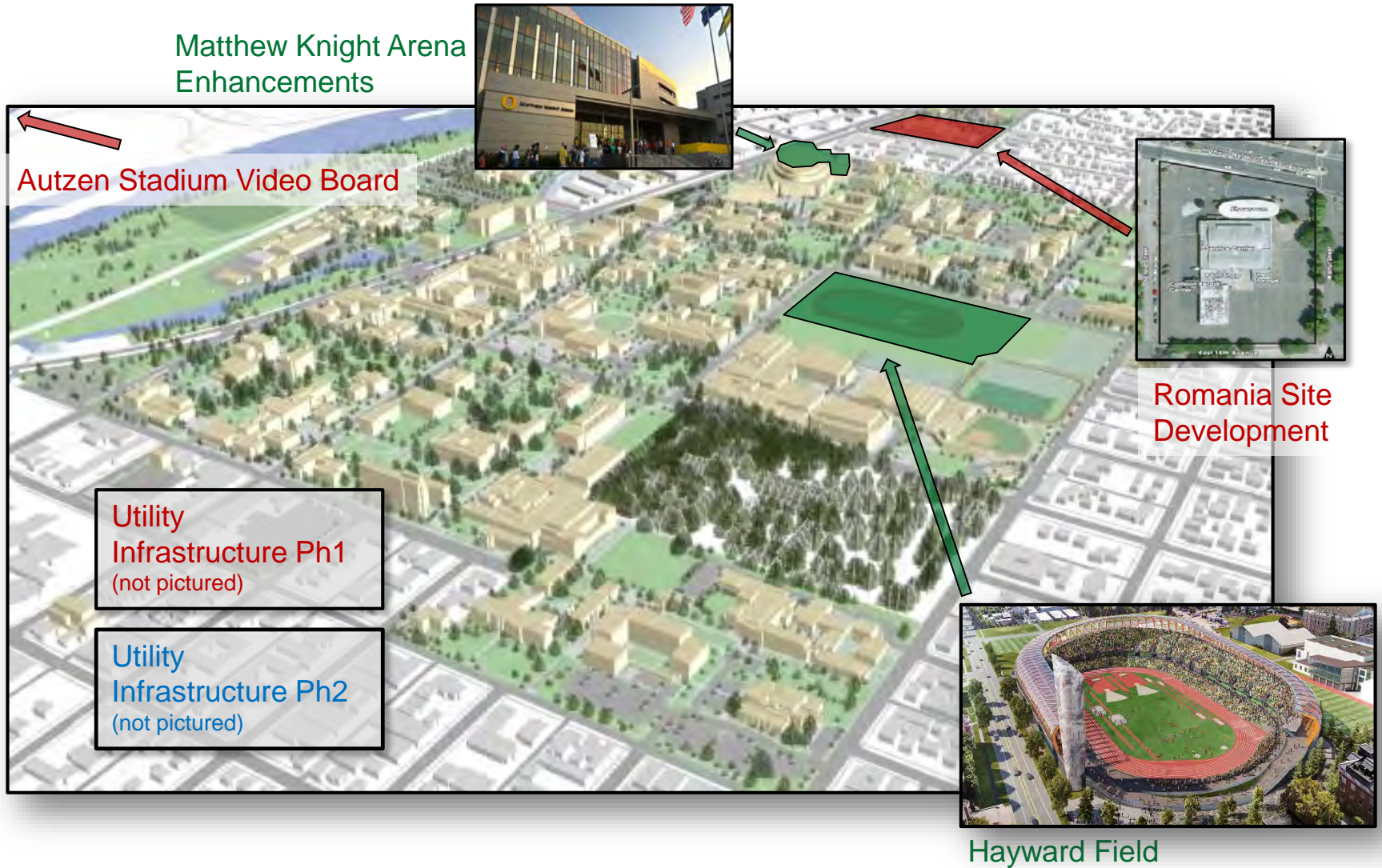


Housing Transformation
Project – Ph1

Athletics & Other Projects Breakdown



Athletics & Other Projects Breakdown



Additional Considerations

- Sustainability
- Deferred Maintenance
- Infrastructure Requirements
- Funding Sources
 - Current Projects
 - Planned/Likely Projects
- University Debt



UNIVERSITY OF OREGON

Sustainability at the University of Oregon

December 9, 2019

Presentation to the Finance and Facilities Committee
of the UO Board of Trustees

Steve Mital
Director of Office of Sustainability

OPERATIONS

Waste

Air & Climate

Transportation

Building

Food & Dining

Energy

Purchasing

Water

Grounds

PLANNING & ADMINISTRATION

Coordination

Diversity & Affordability

Investment

Wellbeing & Work

ENGAGEMENT

Campus Engagement

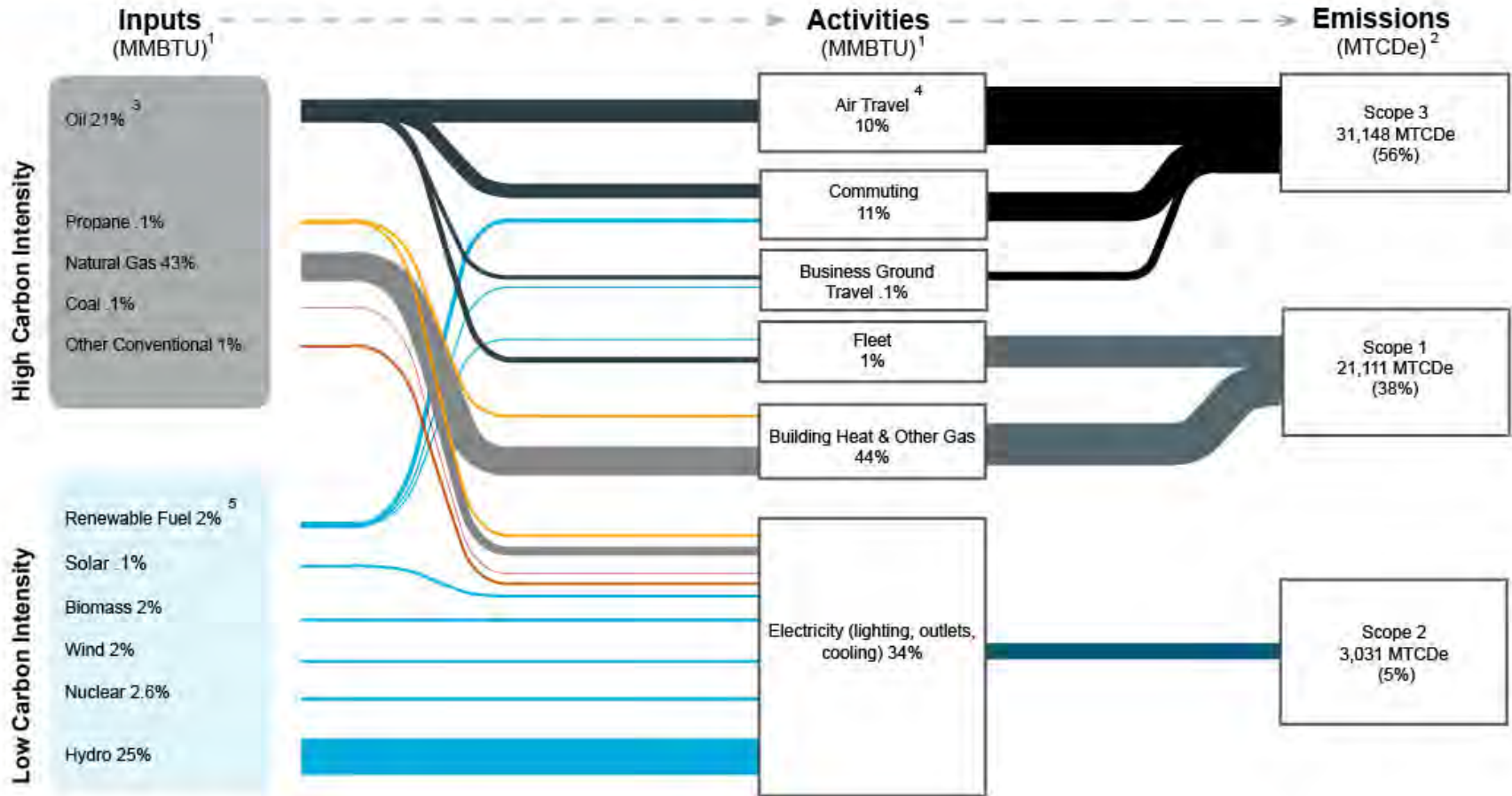
Community Engagement

ACADEMICS

Curriculum

Research

University of Oregon Energy Footprint 2018



Notes:

1. MMBTU: Millions of British Thermal Units
2. MTCDe: Millions of Tons of Carbon Dioxide Equivalent. The University of Oregon tracks a handful of non-energy areas that contribute to our carbon footprint. These items have a minimal impact on our total MTCDe and include fertilizers, refrigerants, paper, solid waste, and wastewater, with a combined MTCDe of 700. The total reported MTCDe for UO in 2018 was 55,991.
3. All numbers are approximates and may have been rounded to the nearest one.
4. Due to recent changes in UO's travel management system, some FY18 air travel data is unavailable. Reported emissions from air travel will likely increase significantly in 2019.
5. Renewable Fuels include ethanol and biodiesel, both of which are mixed at various percentages into traditional gasoline, diesel, or other transport fuels.



Climate Action Plan (CAP) 2019-2024

ACTION	STATUS
GOVERNANCE: Establish CAP Advisory Group	COMPLETE
GOVERNANCE: Update Board Of Trustees Annually	IN PROGRESS
MONITORING: Conduct Annual Emissions Inventory	ON-GOING
REVIEW & UPDATE: Oregon Model For Sustainable Development	COMPLETE
CONSERVATION & EFFICICENCY: Replace Tunnel Steam Pipe Insulation	IN PROGRESS
CONSERVATION & EFFICICENCY: Establish Energy Management Program	IN PROGRESS
CONSERVATION & EFFICICENCY: Re-launch Energy Revolving Fund	COMPLETE
CONSERVATION & EFFICICENCY: Launch Building Optimization Program	COMPLETE
STUDY: Internal Carbon Pricing	COMPLETE
STUDY: Low Carbon Heating Feasibility	IN PROGRESS
STUDY: Temperature Set Points	IN PROGRESS
STUDY: Winter Break Turn-Down Program	NOT STARTED
STUDY: LED Retrofit	NOT STARTED
STUDY: Sustainability Transportation Options	IN PROGRESS
STUDY: District Heating And Cooling Efficiency Improvements	IN PROGRESS
STUDY: Integration with State and/or Regional Carbon Policy	NOT STARTED

Deferred Maintenance Definitions

- FCA - Facility Condition Assessment
 - Baseline process
- FCI - Facility Condition Index
 - Catch up costs
- EFCI - Extended Facility Condition Index
 - Keep up costs
- FNI - Facility Needs Index
 - Get ahead costs

Five Year Plan for Deferred Maintenance

- Current value being referenced is \$350M, established by Sightlines in April 2019 assessment.
- Consultant contracted to assess 66 initial mission critical facilities
 - Approximately 3.8M Gross SQ FT
 - Additional 19 housing buildings encompassing approximately 1.3M SQFT is included in assessment.
 - Data will be incorporated into existing asset management software
 - Completed by the end of 2020.
- Parallel effort to train in-house staff for continued assessments.

Major Funding Sources – Current Projects

	Board Approval	Gifts & Grants	State-Paid Bonds	Revenue Bonds	Cash
<u>CURRENT PROJECTS</u>					
Hayward Field	Approved	✓			✓
Klamath Hall 3 rd	Approved		✓	✓	
Knight Campus Phase 1 & Millrace Drive Parking Garage	Approved	✓	✓	✓	✓
Health and Counseling	Approved			✓	✓
Oregon Acoustic Research Lab	Approved	✓		✓	✓
Housing Transformation Project PH1	Approved	✓		✓	✓
Matthew Knight Arena Enhancements	Approved	✓			

Major Funding Sources – Planned / Likely Projects

	Board Approval	Gifts & Grants	State-Paid Bonds	Revenue Bonds	Cash
<u>Planned and Likely Projects</u>					
Classroom Building		✓		✓	
Romania Site Development					TBD
Zebra Fish Facility Expansion		✓			✓
Knight Campus Ph2 (Academic)		✓			
Autzen Sound and Video Board		✓			
Utility Infrastructure Phase 1				✓	✓
Housing Transformation Project Ph2				✓	
Huestis Hall Deferred Maintenance			✓	✓	
Campus Heritage Project Deady & Villard Halls DM			✓		
Pacific Hall Ph2 Classroom 123 & Lobby		✓		✓	
Housing Transformation Project Ph3				✓	

Impacts on UO's Debt Profile

- Portions of the plan rely on state-paid bonds for funding but funding may also come from philanthropy, creative partnerships, or UO-paid debt.
- To ensure the plan remains affordable, UO-paid debt is expected to be issued at a pace that keeps the debt burden ratio between 5.5% to 6.1%.
- FY19 Debt Burden Ratio is 5.8%; below the industry's commonly accepted limit of 7.0%.

Summary of Projects

CURRENT PROJECTS

<u>Project Name</u>	<u>New (sf)</u>	<u>Renovated (sf)</u>	<u>Project Budget</u>
• Hayward Field Renovation	--	--	\$ 2.37M (Utilities)
• Klamath 3 rd Floor		25,000	\$ 22.9M
• Knight Campus Phase 1	173,630		\$ 213.5M
• Millrace Drive Parking Garage (part of Knight Campus Project)	118,980		\$ 22.4M
• University Health and Counseling	24,700	15,000	\$ 18.8M
• Oregon Acoustic Research Facility	10,000		\$ 8.75M
• Housing Transformation Proj. Ph1	209,500		\$ 86.4M
• <u>MK Arena Enhancements</u>	<u>15,000</u>	<u>2,700</u>	<u>\$ TBD</u>
Totals	551,810	42,700	\$ 375M

Summary of Projects

PLANNED / LIKELY PROJECTS

<u>Project Name</u>	<u>New (sf)</u>	<u>Renovated (sf)</u>	<u>Anticipated Budget</u>
• Classroom Building	60,000		\$ 56.7M
• Romania Site Development			TBD
• Zebra Fish Facility Expansion	10,470		\$ 8.56M
• Autzen Stadium Sound/Video	N/A		\$ 10.0M
• Utility Infrastructure Ph1	N/A		\$ 13.0M
• Housing Transformation Project Ph2	305,000		\$121.3M
• Knight Campus Phase 2 (Acad.)	50,000		TBD
• Huestis Hall Deferred Maintenance		53,850	\$ 63.6M
• Campus Heritage Project		96,616	\$ 50.7M
• Pacific Hall Phase 2 – 123 & Lobby	2,500	4,500	\$ 6.0M
• <u>Housing Transformation Project Ph3</u>	<u>N/A</u>		<u>\$ 9.83M</u>
Totals	427,970	58,350	\$ 289M

Summary of Projects > \$5 Million

	Project Name	Substantial Completion Date	BOT /Legislature Approved Budget	Current Project Budget	Project Square Footage	Cost per Square Foot	Budget Comparison to BOT/Legislature Budget Status	Schedule performance	Meets Program Needs	Unanticipated Deferred Maintenance Issues	LEED Certification	Comments
HISTORICAL	Student Rec Expansion	Jan 2015	\$ 50,250,000	\$ 52,888,017	139,434	\$ 379.31	●	●	●	●	Platinum	Added replacement of Turf Field #2
	Straub Hall Deferred Maintenance	Mar 2015	\$ 20,790,300	\$ 21,519,000	43,361	\$ 496.28	●	●	●	●	Gold	1715 Lease Costs not forecasted.
	Straub Hall Addition	Mar 2015	\$ 22,000,000	\$ 22,974,665	59,570	\$ 385.68	●	●	●	●	Gold	Added classroom scope (skylights, etc.)
	Central Kitchen / Woodshop	Mar 2016	\$ 8,500,000	\$ 8,890,240	21,592	\$ 411.74	●	●	●	●	Targeting Gold	Cost Control included removal of emergency generator. Schedule delay impacted by failed initial Design/Build RFP process. Final LEED certification still in process.
	Jane Sanders Stadium	Mar 2016	\$ 16,590,000	\$ 17,200,000	27,336	\$ 629.21	●	●	●	●	Gold	Square Footage Calculation does not include Field Area. Impacts cost/sf.
	EMU Renovation & Addition	Jun 2016	\$ 95,000,000	\$ 98,762,185	209,943	\$ 470.42	●	●	●	●	Platinum	Added significant work at the Ballroom and other rooms on the third floor.
	Price Science Commons	Jun 2016	\$ 16,750,000	\$ 19,733,490	44,300	\$ 445.45	●	●	●	●	Gold	Added work associated with the Visualization Lab and Furniture. Significant amounts of deferred maintenance to major HVAC, Electrical and Structural systems impacted this project.
	Berwick Hall	Jul 2017	\$ 8,725,000	\$ 8,787,000	9,419	\$ 932.90	●	●	●	●	N/A	
	Kalapuya Ilihi Residence Hall	Jul 2017	\$ 45,000,000	\$ 44,855,123	136,653	\$ 328.24	●	●	●	●	Gold	
	Chapman Hall	Jan 2018	\$ 10,700,000	\$ 11,200,000	23,388	\$ 478.88	●	●	●	●	Targeting Gold	
	Pacific Hall (Phase I)	Feb 2018	\$ 16,900,000	\$ 22,120,000	31,365	\$ 705.24	●	●	●	●	N/A - Partial Reno	
	Oregon Hall Renovations	Jan 2019	\$ 9,500,000	\$ 11,870,000	56,400	\$ 210.46	●	●	●	●	N/A - Partial Reno	Added Computing Center Help Desk to original project. Enrollment Management reorganizational adjustments which added scope
RECENTLY COMPLETED	Tykeson Hall	Jun 2019	\$ 34,300,000	\$ 45,580,000	64,000	\$ 712.19	●	●	●	●	Targeting Gold	Additional scope was added on January 2017, which included basement and 4th floor build out. Since the scope addition, both schedule and budget were achieved as the project came to a close.
	Bean Hall Renovation and Addition	Aug 2019	\$ 44,000,000	\$ 48,000,000	174,540	\$ 275.01	●	●	●	●	Targeting Gold	Additional funds were for Administrative Addition added to the original renovation scope.
ON-GOING	Knight Campus Bldg & Bridge	May 2020	\$ 225,000,000	\$ 213,500,000	173,630	\$ 1,186.43	●	●	●	●	Targeting Gold	Total GSF Includes 2,719 SF for Bridge. Cost/sf excludes \$7.5M for land purchase.
	Millrace Drive Parking Structure (part of Knight Campus project)	May 2020	Included in Knight campus above	\$ 22,400,000	118,980	\$ 188.27	●	●	●	●	Targeting Gold	This is part of the overall Knight Campus project.
	Klamath Hall - 3rd Floor	Mar 2020	\$ 18,700,000	\$ 22,900,000	25,000	\$ 916.00	●	●	●	●	N/A - Partial Reno	Delayed start and significant unanticipated infrastructure / deferred maintenance issues. Budget adjusted with Presidential approval in December 2017. Since approval, project is progressing on schedule and within the approved budget.
	University Health and Counseling	Mar 2020	\$ 18,800,000	\$ 18,800,000	39,700	\$ 473.55	●	●	●	●	N/A	Addition substantially complete and occupied. Working on Phase 2 renovation.
	Housing Transformation Project Ph1	Jun 2021	\$ 101,000,000	\$ 86,400,000	209,500	\$ 412.41	●	●	●	●	Targeting Gold	Along with Ph1, funding for Phase 2 Schematic Design also approved by BOT
	Oregon Acoustic Research Laboratory	Dec 2021	\$ 8,750,000	\$ 8,750,000	TBD	TBD	●	●	●	●		Starting design
NEW	Housing Transformation Project Ph 2	May 2023	TBD	\$ 121,300,000	305,000	\$ 397.70	TBD	TBD	TBD	TBD		Design started
	Housing Transformation Project Ph 3	Jul 2024	TBD	\$ 9,800,000	N/A	N/A	TBD	TBD	TBD	TBD		Open Space Improvements
	Zebra Fish Expansion	Sep 2023	TBD	\$ 8,560,000	\$ 10,470	\$ 817.57	TBD	TBD	TBD	TBD		
	Classroom and Faculty Office Building	TBD	TBD	\$ 56,700,000	60,000	\$ 945.00	TBD	TBD	TBD	TBD		Project on pause. Schematic design complete. Collier House relocation included in project budget.
	Autzen Sound and Video Board	TBD	TBD	\$ 10,000,000	N/A	N/A	TBD	TBD	TBD	TBD		
	Utility Infrastructure Phase 1	TBD	TBD	\$ 13,000,000	TBD	TBD	TBD	TBD	TBD	TBD		

Key to colors												
●	N/A	N/A	N/A				Budget within 3% of BOT / LEG or above 3% based upon program driven increases AND are under BOT approval levels	On Schedule	Program Maintained	All DM Issues Anticipated		
●	N/A	N/A	N/A				Additional funds above 3% (Not for Program Enhancements) but not to BOT approval level	1-3 month delay	Minor loss of Program	Less than 5% Scope Increase due to unanticipated DM issues		
●	N/A	N/A	N/A				Additional funding requiring BOT Approval	3 month or greater delay	Major loss of Program	More than 5% Scope Increase due to unanticipated DM issues		

Large Project Cost Tracking

Years 2009 - 2019

Project	Final Budget	Project Area (S/F)	Bid Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Escalation to 2019	NOTES
ANNUAL REGIONAL INFLATION RATES (Rates provided by Rider Levett Bucknall)				-5.77%	0.32%	2.05%	0.87%	1.74%	6.02%	4.61%	4.58%	6.05%	6.50%	5.75%	
ACADEMICS															
\$/SF Project Cost															
FORD ALUMNI CENTER New Building	\$33,647,092	61,000	2009	\$ 552	\$ 553	\$ 565	\$ 570	\$ 580	\$ 614	\$ 643	\$ 672	\$ 713	\$ 759	\$ 803	Constructed over the parking garage
FENTON HALL* Deferred Maintenance	\$7,405,190	27,978	2010		\$ 265	\$ 270	\$ 272	\$ 277	\$ 294	\$ 307	\$ 322	\$ 341	\$ 363	\$ 384	Significant seismic upgrades
STRAUB HALL * Deferred Maintenance	\$21,519,000	43,361	2013					\$ 496	\$ 526	\$ 550	\$ 576	\$ 610	\$ 650	\$ 688	Includes seismic upgrades
STRAUB & EARL Classroom Expansion	\$22,974,665	59,570	2014						\$ 386	\$ 403	\$ 422	\$ 447	\$ 477	\$ 504	Very constrained site conditions
PRICE SCIENCE COMMONS Addition and Renovation	\$19,733,490	44,300	2015							\$ 445	\$ 466	\$ 494	\$ 526	\$ 556	Underground and difficult access; deferred maintenance upgrades, unique plaza/roof
OREGON HALL RENOVATIONS Renovation	\$11,870,000	56,400	2017									\$ 210	\$ 224	\$ 237	significant surging of staff
CHAPMAN HALL Renovation	\$11,200,000	23,388	2017									\$ 479	\$ 510	\$ 539	
TYKESON HALL New Building	\$42,548,000	64,000	2017									\$ 665	\$ 708	\$ 749	Added basement mid-way through design
RESEARCH and SCIENCES															
LEWIS INTEGRATIVE SCIENCE BLDG (LISB) New Building	\$67,332,604	129,000	2009	\$ 522	\$ 524	\$ 534	\$ 539	\$ 548	\$ 581	\$ 608	\$ 636	\$ 675	\$ 718	\$ 760	
PACIFIC HALL B-2 FLOOR LABS* Renovation/Deferred Maintenance. - South Wing	\$22,120,000	31,365	2016								\$ 705	\$ 748	\$ 797	\$ 842	Significant deferred maintenance to MEP systems
KNIGHT CAMPUS Building and Bridge	\$213,500,000	173,630	2018										\$ 1,186	\$ 1,255	In Construction. Cost/sf excludes \$7.5M for property acquisition.
MILLRACE DRIVE - PARKING GARAGE (part of Knight Campus project)	\$22,400,000	118,980	2019										\$ 188	\$ 199	Started construction
KLAMATH 3RD FLOOR RENOVATION Renovation	\$22,900,000	25,000	2019										\$ 916	\$ 969	In construction
STUDENT SUPPORT															
SRC EXPANSION Addition - Student Rec	\$52,888,017	139,434	2012				\$ 379	\$ 386	\$ 409	\$ 428	\$ 448	\$ 475	\$ 506	\$ 535	
ERB MEMORIAL UNION Addition and Partial Renovation	\$98,762,185	209,943	2014						\$ 470	\$ 492	\$ 515	\$ 546	\$ 581	\$ 615	
OBF (OREGON BACH FESTIVAL) BERWICK HALL New Performing Arts Building	\$8,787,000	9,419	2015							\$ 933	\$ 976	\$ 1,035	\$ 1,102	\$ 1,165	Specialized rehearsal sound space
HOUSING															
GLOBAL SCHOLARS HALL New Residence Hall	\$62,008,389	204,863	2010		\$ 303	\$ 309	\$ 312	\$ 317	\$ 336	\$ 352	\$ 368	\$ 390	\$ 415	\$ 439	
CENTRAL KITCHEN/WOODSHOP New Building	\$8,890,240	21,592	2015							\$ 412	\$ 431	\$ 457	\$ 486	\$ 514	
KALAPUYA ILIHI HALL New Residence Hall	\$44,855,123	136,653	2016								\$ 328	\$ 348	\$ 371	\$ 392	Complicated building form due to solar access to the Many Nations Longhouse
BEAN HALL EAST/WEST RENOVATION Addition and Renovation	\$48,000,000	174,540	2018									\$ 275	\$ 293	\$ 310	In Construction
HOUSING TRANSFORMATION PROJECT Replacement Buildings (Hamilton and Walton)	\$217,500,000	515,000	2019											\$ 422	Started Ph1 construction (\$101M BOT Approved)
ATHLETICS															
BASEBALL PARK (PK PARK) New Stadium	\$19,113,820	48,005	2009	\$ 398	\$ 399	\$ 408	\$ 411	\$ 418	\$ 444	\$ 464	\$ 485	\$ 515	\$ 548	\$ 580	Square foot numbers represent the building, not the field
JANE SANDERS STADIUM New Stadium	\$17,200,000	27,336	2015							\$ 629	\$ 658	\$ 698	\$ 743	\$ 786	Square foot numbers represent the building, not the field
* Deferred Maintenance															