

PRESIDENTIAL EMPLOYMENT AGREEMENT

THIS AGREEMENT is entered into by the University of Oregon (“University”) and Michael H. Schill (“Schill”), each of whom is a party to this agreement (“Agreement”). The term “parties” hereafter refers to “University” and “Schill.” Upon full execution by the parties, the Agreement will be effective as of January 1, 2022.

1.0 Appointment of President; Term of Agreement

The term of Schill’s employment as President of the University commenced July 1, 2015. The term of this Agreement is five (5) years, from January 1, 2022 until December 31, 2026 (“Term”), unless earlier terminated or extended as provided in this Agreement. During the Term, Schill shall also hold the position of Professor of Law.

2.0 Duties and Responsibilities

Schill is supervised by and is responsible to the Board of Trustees of the University of Oregon (“Board”) for all matters concerning the University and is an advisor to the Board in matters of policy and administration. Schill shall exercise all powers and duties delegated to the President by the Board’s “Policy on Retention and Delegation of Authority,” and shall also exercise all other powers and duties delegated by the Board to the President. Duties include, but are not limited to:

- (a) Administration of the affairs of the University as best serves the institution consistent with Board rules, policies, and directives;
- (b) Development and implementation of the University’s academic, student service, athletic and overall institutional strategies and related plans;
- (c) Service as an ex officio member of the Board of Trustees as required by ORS 352.076, and service as a Board officer pursuant to Article VI of the Bylaws of the University of Oregon;
- (d) Reporting to the Board all significant matters within the President’s knowledge related to the University;
- (e) Institutional, faculty, and educational leadership, and the fostering of productive faculty and administration relationships;
- (f) Long-range planning and budget formulation;
- (g) Management of institution buildings, grounds and equipment controlled by the University;
- (h) Student recruitment, success and services;
- (i) Senior administration and faculty recruitment;
- (j) Appointing, supervising, promoting, and dismissing employees;
- (k) Enforcing expectations concerning compliance with NCAA rules;
- (l) Preparing rules, policies, regulations, and procedures useful to the University’s welfare;
- (m) Fundraising, development, and public and alumni relations; and,
- (n) Addressing and documenting compliance with Board-identified outcomes for each year.

3.0 Devote Best Efforts to the Work as President

3.1 Schill agrees to faithfully, industriously, and with maximum application of experience, ability, and talent devote his full business-time, attention and energies to the duties as President of the University.

- 3.2 Such duties will be rendered at the University's campus in Eugene, Oregon and at such other place or places as the Board and Schill deem appropriate for the interest, needs, business or opportunity of the University.
- 3.3 The expenditure of reasonable amounts of time for personal or outside business, as well as charitable and professional development activities, will not be deemed a breach of this Agreement, provided such activities do not interfere with the services required to be rendered to the University and Board under this Agreement. Upon written approval by the Board, Schill may serve on boards for nonprofit and for-profit corporations or other entities, to the extent permitted by law, rule and University policy. The Board will not consider any income in connection with outside activities in setting compensation under this Agreement.
- 3.4 Other than activities or services permitted by the Board or other University policies, and under Section 3.3 of this Agreement, Schill will not render services of any professional nature to or for any person, firm, or entity for remuneration other than to the University, and will not engage in any activity that would cause a conflict of interest with his duties to the University. The making of passive or personal investments and the conduct of private business affairs is not prohibited by this section.

4.0 Academic Rank and Funding

- 4.1 Upon the termination of employment as President, except for termination with cause as defined in paragraph 4.2, Schill may elect to remain a member of the University's faculty. If Schill remains a member of the University's faculty under such terms, his salary will be \$450,000 per year (9-mo), as adjusted to reflect any COLA, across-the-board, or merit increases available to faculty as well as any pay reduction programs impacting faculty subsequent to Schill's initial appointment to the faculty in 2015. Schill will be subject to the current Board and University rules and policies governing faculty employment, including award of indefinite tenure and other conditions of employment, including but not limited to those conditions of employment which are customarily set forth in a letter of appointment. Schill's appointment to a college, school, division or unit of the University shall be subject to the approval of the University Provost. For so long as Schill remains a full time member of the University's faculty post-presidency, the University will provide him with 0.5 FTE in administrative support.
- 4.2 Schill shall not be eligible to return to a position on the faculty should his employment as President be terminated "for cause" as a result of a finding by the Board of Trustees of the University, in its sole discretion, that Schill engaged in misconduct that could reasonably be deemed a felony or a crime of moral turpitude.
- 4.3 Increases in Schill's compensation as a faculty member shall be determined by the provost, consistent with then extant policies governing faculty compensation as well as any applicable collective bargaining agreement.
- 4.4 Notwithstanding anything to the contrary in this paragraph 4, upon his return to the active faculty and following any accrued leaves or sabbaticals, Schill's teaching load will be no more than two courses per year. Subject to the approval of the provost, in

consultation with the relevant dean, these courses may be taught in any academic unit that Schill chooses for which he is competent. The nature and schedule of the courses will be determined based on the university's academic calendar as well as upon the mutual agreement of the provost, the relevant dean or department head, and Schill. Schill will be expected to conduct research during the term(s) he is not teaching, which research may be conducted in Eugene or elsewhere. Schill also agrees to make himself available for consultation with his successor(s) for fundraising, and for administrative assignments that take advantage of his experience as a former president. These assignments will be made through joint agreement by the president and Schill and will not entitle Schill to additional compensation.

4.5 In lieu of future sabbatical credits that could have been earned by Schill pursuant to prior iterations of this Agreement, the parties agree as follows: Should Schill remain President during the full term of this Contract, upon the termination of Schill's service as President and assumption of his duties as a faculty member (unless such termination is "for cause" as defined by paragraph 4.2), Schill will be entitled to institutional support for research in an aggregate amount not to exceed \$1,000,000. This institutional support is to be expended within 5 years of Schill's return to the faculty and shall be accessed pursuant to a spending plan to be drafted in consultation with the dean of that school, college or unit in which your faculty position resides. Such institutional support shall conform to then-extant University policy governing research support and, unless required by law, will not be deemed taxable compensation to Schill. Schill may seek from these funds payment for the costs of engaging in research and programs related to that research but is not entitled to support that would be deemed compensation to him personally.

5.0 Salary and Benefits for Service as President

5.1 Schill's base salary will be paid in equal installments on the University's regular pay days at annual amounts as follows:

For January 1, 2022 to December 31 2022: \$780,000
For January 1, 2023 to December 31 2023: \$798,000
For January 1, 2024 to December 31 2024: \$822,000
For January 1, 2025 to December 31 2025: \$847,000
For January 1, 2026 to December 31 2026: \$872,000

5.2 In addition, Schill shall be entitled to an annual supplemental contribution to an approved retirement plan, in the following amounts, which will vest on December 31 of each year and be payable within 30 days thereof:

For 2022: \$200,000
For 2023: \$200,000
For 2024: \$200,000
For 2025: \$200,000

For 2026: \$300,000

- 5.3 If Schill remains President as of December 31, 2023, he shall be entitled to receive a retention bonus of \$250,000.
- 5.4 If Schill remains President as of December 31, 2025, he shall be entitled to receive a retention bonus of \$250,000.
- 5.5 In lieu of a University-provided vehicle, Schill will receive a monthly vehicle stipend of \$1,200 funded by the University's Foundation. By accepting the monthly vehicle stipend, Schill agrees that he is not entitled to any vehicle-related expense reimbursement when on University business or to a University owned vehicle for the discharge of his duties as President. Subject to University rules, policies, and procedures, this section does not apply when Schill requires the use of a rental vehicle for out-of-state or air-related travel.
- 5.6 Unless otherwise provided for in this Agreement, Schill will receive the same benefits as other University employees, subject to applicable changes, currently including, but not limited to, medical, dental, disability, and life insurance; retirement benefits; accrual of vacation and sick leave; and staff fee privileges.
- 5.7 The University will provide to Schill memberships as the Board deems useful to the performance of his duties as President. The University will pay monthly dues and approved business-related expenses. Schill will be responsible for any personal charges including, but not limited to, rentals, lockers, personal dining, and lesson fees incurred.
- 5.8 The University shall pay for a comprehensive annual executive physical examination by a physician of Schill's choosing. Schill shall report that this requirement has been met, but is under no requirement to disclose any results of such examination to the University. The University's commitment shall be limited to \$5,000 per year, after whatever costs are covered by Schill's University-provided health insurance.
- 5.9 Schill will be entitled to 12 months of sabbatical leave in recognition for his six and one half years of service as President as of the date of this Agreement, and shall accrue no more entitlement for sabbatical during his service as President. All sabbatical leave will be forfeited in the event that Schill's appointment is terminated for cause, as defined in paragraph 4.2, or in the event Schill elects to leave the University of Oregon prior to the completion of this contract's term. If Schill elects to take accrued sabbatical time as leave, such leave will start no later than one hundred twenty (120) days after the conclusion of his service as President and shall be payable at 100-percent of his base salary for the last month of service as President. This sabbatical leave is separately negotiated, in recognition of the Schill's inability to take a sabbatical leave during service as President, and is not subject to University rules or policies governing sabbatical leaves. A sabbatical plan is not required, nor is the approval of any University official.

6.0 Official Residence

- 6.1 As a term and condition of employment for Schill and for the benefit and convenience of the University, the University will provide Schill an official residence in which he is required to reside during his service as President. The residence will be used by Schill to conduct University meetings and events on a regular and continuing basis. The residence is located in Eugene, Oregon at 2315 McMorrان Street ("the McMorrان House").
- 6.2 Subject to the exceptions noted below, the University will maintain the official residence in good repair and pay for utilities, telephone service, cable, Internet access, and similar expenses. The University will not be obligated to pay for any damage or expense caused by the willful misconduct or negligence of Schill, his family or personal guests (normal wear and tear excepted) for which Schill is responsible. For purposes of this section, "personal guests" means those persons not invited to the residence as part of Schill's duties to host official and other University functions, whom Schill invites in an exclusively personal capacity. The University will maintain the grounds of the official residence and will, consistent with longstanding University practice, provide other staffing appropriate to the reasonable and efficient operation of the household, including de minimus support in running occasional personal errands as is reasonably necessary to allow Schill to meet the demands of his official duties. University will keep the official residence insured for fire and extended coverage and will pay for liability insurance on the property.
- 6.3 With the exception of furnishings already in the official residence or purchased for use in University related events or business, the residence will be furnished with furniture and furnishings at the cost of Schill. The cost of any insurance on the Schill's personal furnishings and contents in the official residence will be borne by Schill.
- 6.4 Schill's family will be permitted to occupy the residence under the same terms and conditions for up to ninety (90) days following (i) Schill's death or (ii) Schill's permanent disability under the terms of this Agreement. Schill and his family will vacate the residence by no later than thirty (30) days following the termination of his employment as President for any reason other than death or permanent disability.

7.0 Travel Expenses

Except as stated at Section 5.5 of this Agreement, University will reimburse Schill, and, if applicable, Schill's spouse or companion for reasonable travel expenses, hotel bills, and other necessary and proper expenses, consistent with University's rules and policies governing travel reimbursements, when Schill is travelling on University business, except that such payment will be made on behalf of a spouse or companion only when the presence of the spouse or companion is of benefit to the interests of the University. Such expenses shall be approved by the Chief Financial Officer or appropriate designee.

8.0 Expense Receipts and Documentation

Schill agrees to maintain detailed accounting records, including original documentation of all expenses provided for in this Agreement in accordance with federal and state laws and regulations and University policies and procedures. Upon appointment, Schill may request the University's Office of Internal Audit to include a review of the President's expenditures in its audit plan for the purpose of providing stakeholders assurance that expenditures are allocated

appropriately and reporting is accurate and complete. Notwithstanding the foregoing, nothing in this clause is intended to diminish the authority of the Office of Internal Audit to conduct other audits at the request of the Board, routine or otherwise, in accordance with its audit Charter.

9.0 Evaluation

Schill will be evaluated annually by the Board for performance pursuant to the Board's "Presidential Review & Evaluation Policy," which is incorporated into this Agreement by this reference.

10.0 Termination

10.1 The Board reserves the right to terminate Schill's employment for cause. For cause termination eliminates any obligation of the Board to pay Schill beyond the effective date of termination of employment as President other than such salary and deferred compensation as has vested as of that effective date. A termination for just cause shall end all of the University's obligations to Schill for future compensation as President including, without limitation, any obligations to pay deferred compensation, stipends or bonuses under section 5 of this Agreement. Schill shall retain all rights as a member of the University faculty, but shall be subject to any and all processes then available for responding to allegations of misconduct by members of the faculty. Schill's entitlement to continued employment as a member of the faculty shall be governed by paragraph 4.2 of this Agreement.

Just cause means:

10.1.1 Gross negligence or willful misconduct including, but not limited to, acts of fraud, misappropriation of funds or University assets, or gross negligence.

10.1.2 Commission of a felony or a misdemeanor involving moral turpitude;

10.1.3 Material violation of this Agreement which causes substantial harm to the University and which is not remedied after thirty (30) calendar days' written notice thereof to Schill; and

10.1.4 Prolonged absence from duty for a period of thirty calendar days or longer without Board or University consent and which absence is not due to illness or disability.

10.1.5 Knowingly engaging in conduct that conceals from the University or protects the conduct of other university personnel where such conduct would itself fit the definition of "just cause" as set forth above.

10.2 The Board reserves the right to terminate Schill's employment and this Agreement prior to its expiration, without cause, upon thirty (30) calendar days' of prior written notice to Schill. In the event the Board terminates this Agreement and Schill's employment as President without cause, the University will pay Schill his then-current, annual base salary plus associated benefits for one year from the effective date of the termination, together with all bonuses and benefits accrued under this Agreement up until the termination. During this one year post termination, Schill shall be assigned projects and duties by the

Provost and the Chair of the Board of Trustees or his or her designee, appropriate to support the university and a transition of leadership. At the conclusion of this one year, Schill may exercise those sabbatical rights he accumulated during the first six years of his tenure as president or return to the faculty pursuant to the terms of Section 4.1.

10.2.1 If in the interest of the University, Schill may be reassigned to other duties until the effective date of the termination of this Agreement without cause. Under no circumstance will the University be liable for the loss of any collateral business opportunities or any other benefits, perquisites or income from any sources that may ensue as a result of the University's termination of this Agreement without cause. The parties have bargained for and agreed to the foregoing provision, giving consideration to the fact that termination of this Agreement by the Board without cause prior to its expiration may cause loss to Schill which is extremely difficult to determine with certainty. The parties further agree that payments made based on the foregoing by the University and acceptance thereof by Schill will constitute adequate and reasonable compensation to Schill for any loss and injury suffered and are not intended to be a penalty. Any amounts payable to Schill under this section will be reduced by the amount of Schill's earnings from other employment during the period which payments under this section are paid, if applicable.

10.2.2 Should the University terminate Schill as President without cause, Schill shall retain all rights and privileges he then enjoys as a member of the faculty, including those set forth in section 4 of this Agreement.

10.3 This Agreement and Schill's appointment as President may be terminated by Schill's resignation, upon Schill providing the Board Chair with thirty (30) calendar days' advance written notice of such resignation. Upon the effective date of Schill's resignation, Schill will not be entitled to any future compensation or benefits as president other than such salary earned and deferred compensation that has vested as of that date and except as set forth in the University's various benefit plans with respect to vesting and rights after termination of employment.

10.4 In the event of Schill's death during the term of this Agreement, his employment and this Agreement will immediately terminate on the date of his death. Schill's estate will receive all benefits to which it is entitled pursuant to the University's insurance plans in which Schill enrolled.

10.5 If Schill becomes permanently disabled during his employment as President, this Agreement and his employment will terminate effective on the date of his permanent disability and Schill will receive all benefits to which he is entitled pursuant to the University's insurance plans in which Schill enrolled. For purposes of this Agreement, "permanent disability" will mean that in the opinion of a qualified medical professional jointly selected by the University and Schill (or in the event of Schill's incapacity, the person designated in his power of attorney or other duly authorized representative) that Schill is unable to perform the essential functions of the job for a period of six continuous months, with reasonable accommodation (as such term is defined in 42 U.S.C. § 12111(9), as amended, and in the common law interpreting the same).

11.0 NCAA Compliance Expectations

As President, Schill has an affirmative obligation to cooperate fully in any NCAA infractions process, including the investigation and adjudication of a case. Should Schill be found in violation of NCAA regulations he is subject to disciplinary or corrective action as set forth in the provision of the NCAA infractions process.

12.0 Severability

If any provision of this Agreement is determined to be void, invalid, unenforceable or illegal for any reason, it will be ineffective only to the extent of such prohibition and the validity and enforceability of all the remaining provisions will not be affected thereby.

13.0 Modification

This Agreement may not be modified or extended except by written instrument signed by Schill and authorized by the Board.

14.0 Entire Agreement

This Agreement contains the entire understanding of the parties, and there are no representations, warranties, covenants, or undertakings other than those expressly set forth herein.

15.0 Prior Agreements

This Agreement cancels and supersedes any and all prior agreements entered into between the parties.

16.0 Indemnification

To the extent permitted by Article XI, Section 7 of the Oregon Constitution, the provisions of the Oregon Tort Claims Act, and the University's Bylaws, the Board will indemnify Schill and hold him harmless against legal fees, expenses, judgments and other financial amounts incurred while serving in his capacity as President of the University. Schill will continue to be indemnified subsequent to the termination of his employment as President with respect to acts or omissions occurring while he served as President.

17.0 Waiver

No delay or failure to enforce any provisions of his Agreement will constitute a waiver or limitation of rights enforceable under this Agreement.

18.0 Governing Law; Forum

This Agreement will be interpreted and construed in accord with the laws of the State of Oregon, without regard to the principles of conflicts of laws. Any lawsuit or claim arising from this Agreement will be brought and conducted solely and exclusively within the Circuit Court of

Lane County for the State of Oregon; provided, however, if a lawsuit or claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.

19.0 Counterparts

This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which will constitute but one of the same instrument. Signatures delivered by facsimile and by email will be deemed to be an original signature for all purposes, including for purposes of any applicable Rules of Evidence.

20.0 Applicable Laws and Regulations

All provisions of this Agreement are subject to the laws of the State of Oregon and, unless otherwise stated, the rules, policies, and internal management directives of the University.

IT IS SO AGREED:

DATED this _____ day of _____, 2022:

Michael H. Schill

Charles M. Lillis, Chairman