

**To: Representative John Lively, Chair  
House Committee on Higher Education**

**From: Jayathi Murthy, President**

**Date: October 9, 2023**

**Re: Response to Committee's questions from 10/3/23**

I appreciated the discussion during the hearing last week and for the opportunity to address Committee members' additional questions.

**What are or were the notification requirements in the PAC 12 for notification to other teams when teams are moving to another conference?**

The Pac-12 Constitution and Bylaws provide that "[n]o member shall deliver a notice of withdrawal to the Conference in the period beginning on July 24, 2011, and ending on August 1, 2024"; there are no other provisions in the Bylaws governing when or how notice of withdrawal is to be provided to the conference or specific members (teams).

However, beyond the bylaw requirements, it is in the interests of the state that universities discuss such a decision with sister institutions, so that the latter have adequate opportunity to share additional context, explore options for joint paths, and prepare for such a significant financial impact.

**Some conferences have requirements for teams to pay a fee to leave the conference. What is the buyout requirement for teams leaving the PAC12?**

The Pac-12 does not have a preset buyout fee as some other conferences do, but provisions of the bylaws govern what happens when a member provides notice of withdrawal prior to August 1, 2024. In such an instance, the departing member immediately loses important governance and voting rights.

**For the UofO – What is the increase in revenues from joining the Big 10 in the first year versus current PAC12 revenues? What is the penalty the team would pay if it chooses to move from the Big 10 to another conference during the designated timeframe?**

N/A

**What if any discussions have been held between the UofO and OSU since the announcement of the move regarding impacts and ultimate dissolution of the PAC12?**  
Communications have been limited to expressions of sympathy by the UofO to OSU regarding the impacts to OSU.

**What is the status of any longer term ability to continue the rivalry between UofO and OSU after next year? Football, basketball and other sports.**

OSU's current focus is to build the 2024-25 schedule for all of our seventeen collegiate sports that is aligned with the other remaining Pac-12 member, Washington State University. The future of collegiate athletic competitions with the University of Oregon is to be determined.

**What role, if any, do you believe the state should play in regulating these kinds of decisions moving forward? I'm thinking in particular of conference-related decisions, but really any decision made at the local level by administration/local boards that could have major financial implications for both the state and/or other institutions. And should the state involvement be the Governor's office, the HECC, the legislature, or something else?**

The current statute under ORS 325.025 requires that public universities' governance boards *"act in the best interests of both the university and the State of Oregon as a whole."*

This language directs governing boards to balance the opportunities that will benefit the individual university with the values and interests of the state, which includes the entire higher education sector. University governing boards should use common sense standards to analyze the impacts of their decisions on the State of Oregon, including sister public institutions. In UO's [10 minute board of trustees meeting](#), neither the state impacts nor implications to OSU were considered. To prevent this harm in the future, I would recommend the following:

1. Make clear the legislature's intent regarding boards' responsibility to act in the "best interests of both the university and the State of Oregon as a whole". For decisions that cause significant harm to another public university or public entity, it is critical that the affected parties are consulted prior to moving forward.
2. If the entities involved cannot come to agreement regarding the impending action, a mechanism for resolution of the conflict should be developed.
3. Request that the HECC add this governing responsibility to the training requirements for university leadership and boards of trustees under SB 273 that passed last session.

Please recognize that provisions the state puts in place *now* will constrain OSU more than UO. UO's decision to leave the Pac-12 has already been made. OSU needs the necessary tools to negotiate the best path forward to the benefit of its student-athletes and strength of its programs, while remaining accountable to its responsibilities as an Oregon public institution as *already* articulated in ORS 325.025.

**Why did the Pac-12 presidents not accept the initial ESPN offer of \$30 million?**

**Are the reports of the \$50 million counteroffer from the Pac-12 to ESPN true?**

**Were all the Pac-12 presidents looped into the decision of the Pac-12 commissioner to make that counteroffer (if, in fact, that counteroffer was made)?**

Most of the discussions regarding the early media rights negotiating tactics that you allude to happened prior my start as President. I also cannot speak for the other presidents. At the time there were ten voting members of the Pac-12. Not all the universities were aligned with regard to the Pac-12's estimated media value. The smaller media market schools were very concerned about inflated expectations because of the potential of those expectations—and the delay they would cause in securing a deal—to destabilize the conference. Those concerns were expressed during discussions of media valuations among the Pac-12 leadership group.

Furthermore, media negotiations are more complicated and dynamic than what is portrayed in news articles. They are deals with billion-dollar media companies and are multi-tiered for the different levels of competitions and broadcasts. There was frequently more than one media partner in the mix, and a shifting mix of athletics offerings was common, depending on the status of the negotiation. While the presidents were not in the day-to-day negotiations, presidents did provide broad feedback to the Commissioner throughout the process. There was a feeling by those in larger markets that their value was higher than the conference had been receiving under its current deal. OSU did not agree with this strategy, but larger market schools were naturally the most influential and vocal in conference discussions regarding negotiating strategy. OSU was well aware that it exists in a small media market and we were fearful that inflated expectations would cause one or more large market members to become unhappy with their membership in the conference.

While I recognize the need to reflect and learn from the past, OSU is looking forward and how we emerge with the best footing for our student athletes and Beaver Nation.

**On what programs or for what purposes does UO use the \$20 million that athletics brings to their general fund?**

In the hearing and their written material, UO stated that those funds are used to pay for student-athlete tuition, overhead costs associated with athletics, and other expenses related to athletics. OSU Athletics has also paid over \$10 million through athletic scholarships funding for athletes' tuition to the university's general fund and housing, dining, and student fees that fund those auxiliary enterprises. Additionally, OSU Athletics returns \$3 million annually in overhead assessments that cover many of administrative duties of the university.