

SIU Southern Illinois
University



2014A Certificates of Participation

Public Hearing

November 5, 2013

Speakers

- **Kevin Bame**
Vice Chancellor for Administration & Finance, SIUC

- **Tina Galik**
Assistant Vice President for Financial and Administrative Affairs & Assistant Treasurer, SIU

Other Guests:

- Andrea Bacon, Special Counsel, Chapman & Cutler
- John S. Vincent, Financial Advisor, John S. Vincent LLC

***State University
Certificate of Participation Act
110 ILCS 73***

- A State University shall appear before the Commission and present details of the proposed COPs financing

- Southern Illinois University COPs debt limit
 - \$20,000,000 maximum annual debt service

SIU Southern Illinois University

Board of Trustees of Southern Illinois University Certificates of Participation, Series 2014 Financing Schedule as of November 4, 2013

October							November							December							January							February						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5						1	2	1	2	3	4	5	6	7				1	2	3	4							1
6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11	2	3	4	5	6	7	8
13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18	9	10	11	12	13	14	15
20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25	16	17	18	19	20	21	22
27	28	29	30	31			24	25	26	27	28	29	30	29	30	31					26	27	28	29	30	31		23	24	25	26	27	28	

Federal Holidays

Date	Task	Responsibility
October 9	Kick-off Meeting	All
October 14	Columbus Day	-
Week of October 14	Circulate Draft of POS and COPs Documents	FA, BC
Week of October 21	Working Group Call to Discuss POS and COPs Documents	All
November 1	BOT Mail Date	SIU, BC, FA
November 5	Commission Public Hearing	SIU
November 11	Veterans Day	-
November 14	SIU BOT Meeting (Edwardsville)	SIU
Week of November 18	Working Group Call to Discuss POS and COPs Documents	All
November 18	BOT Matters Due for December Agenda	SIU
November 26	BOT Mail Date	SIU
November 28	Thanksgiving Day	-
December 4	Rating Agency Meetings	SIU, FA, RJ
December 12	SIU BOT Meeting (Carbondale)	SIU
Week of December 16	Working Group Call to Discuss POS and COPs Documents	All
Week of December 23	Due Diligence Call	All
Week of December 23	Post Draft 2013 Audit for Continuing Disclosure	SIU
Week of December 23	Receive Ratings	All
Week of December 23	Signoff on POS and COPs Documents	All
Week of December 23	Post Preliminary Official Statement	FA, RJ, UC
Weeks of Dec 23 – Jan 13	Marketing Period	RJ, CM
December 25	Christmas Day	-
January 1	New Year's Day	-
Week of January 13	COPs Pricing	All
January 15	Send COPs Call Notice	T
January 20	Martin Luther King Jr. Holiday	-
Week of January 20	Circulate Draft of Final OS	FA, BC
Week of January 20	Post Final OS	All
February 12	Pre-Closing	All
February 13	COPs Closing	All
February 13	SIU BOT Meeting (Edwardsville)	SIU
February 15	2004 COPS Call Date	T
February 17	President's Day Holiday	-

Key	Firm/Institution
SIU	Southern Illinois University
FA	John S. Vincent & Company LLC
BC	Chapman & Cutler LLP
RJ	Raymond James
CM	Edward Jones, Siebert
UC	Ungaretti & Harris LLP
T	U.S. Bank

Role
Issuer
Financial Advisor
COPs Counsel
Senior Manager
Co-Managers
Underwriter's Counsel
Trustee

***Southern Illinois University
Series 2014A
Certificates of Participation***

New Money

- \$30 Million Project Cost

- Deferred Maintenance Projects
at Carbondale Campus

- 20 Years

Southern Illinois University

Series 2014 COPS

Project List

Building	Project Description	Board Approval	Approved Budget	Expected Completion Date
Pulliam Hall	Decommission swimming pool, install new floor, add new level in gymnasium area, and construct new studio, classrooms and faculty offices, upgrade MEP.	5/10/2012	\$ 7,000,000	Aug-14
Pulliam Hall	Increase project scope to include windows & roof	11/8/2012	\$ 1,250,000	Aug-14
Parkinson Lab	Replace HVAC	7/12/2012	\$ 4,300,000	Jan-17
Faner Hall	Replace HVAC	7/12/2012	\$ 2,200,000	Aug-15
Neckers Building	Replace HVAC	7/12/2012	\$ 1,500,000	Feb-16
Woody Hall	Renovation of Mechanical, Electrical & Plumbing	7/12/2012	\$ 5,000,000	Nov-15
Roof Replacement		7/12/2012	\$ 2,000,000	Apr-15
- Wham	Replace roof			
- Pulliam/Wham Breeze	Replace roof			
- Rehn Hall	Replace roof			
-Life Sciences III	Replace roof			
- Studio Arts	Replace roof			
Campus Lighting	exterior and roadway lighting across main campus	7/12/2012	\$ 1,000,000	Jun-14
Steam Tunnel Repairs	structural improvements and replacement of pipe stanchions, expansion joints and steam specialties for 8 miles of underground reinforced concrete tunnels used for utility distribution to most of the central campus buildings	7/12/2012	\$ 1,000,000	Sep-14
Lawson & Woody Hall	Window and Door replacements	7/12/2012	\$ 1,000,000	Sep-14
Electrical Distribution System	replace electrical feeders and associated equipment in the campus electrical distribution system. Includes purchase of 12.5kV source for installation at the east campus substation.	9/13/2012	\$ 5,000,000	Nov-15
Quigley Hall	renovation of Quigley Hall to retrofit vacant space to meet the needs of the School of Architecture.	11/14/2013 (pending)	\$ 1,200,000	Aug-15
TOTAL			<u>\$ 32,450,000</u>	

Southern Illinois University

Series 2014A Certificates of Participation

Project Financing

Building	Approved Budget	Series 2014A-1 Tax Exempt Financing	Series 2014A-2 Taxable Financing	Local Funding¹
Pulliam Hall - Renovations	\$ 7,000,000	\$ 7,000,000		
Pulliam Hall - Windows & Roof	\$ 1,250,000	\$ 800,000		\$ 450,000
Parkinson Lab - HVAC	\$ 4,300,000	\$ 4,300,000		
Faner Hall - HVAC	\$ 2,200,000	\$ 2,200,000		
Neckers Building - HVAC	\$ 1,500,000	\$ 1,500,000		
Woody Hall - MEP	\$ 5,000,000	\$ 5,000,000		
Roof Replacement	\$ 2,000,000			
- Wham		\$ 700,000		
- Pulliam/Wham Breeze		\$ 125,000		
- Rehn Hall		\$ 400,000		
-Life Sciences III				\$ 550,000
- Studio Arts		\$ 225,000		
Campus Lighting	\$ 1,000,000	\$ 1,000,000		
Steam Tunnel Repairs	\$ 1,000,000			\$ 1,000,000
Lawson & Woody-Windows & Doors	\$ 1,000,000	\$ 550,000		\$ 450,000
Electrical Distribution System	\$ 5,000,000	\$ 3,000,000	\$ 2,000,000	
Quigley Hall - Renovation	\$ 1,200,000	\$ 1,200,000		
TOTAL	\$ 32,450,000	\$ 28,000,000	\$ 2,000,000	\$ 2,450,000

¹ Local Funding will be the Facilities Maintenance Fee revenue

Southern Illinois University
Series 2014A Certificates of Participation
Practical Source of Funding

Facilities Maintenance Fee

- New student fee effective Fall Semester 2007
- Funds the rising cost of maintenance and improvements to University facilities that are not part of the Revenue Bond System
- Fee Rate per Semester
 - FY14 \$222.00¹
- Subject to annual student fee review process

¹ \$18.50 per credit hour times 12 credit hours.

SOUTHERN ILLINOIS UNIVERSITY FACILITIES MAINTENANCE FEE

Comparative Statement of Actual and Estimated
Income and Expense

	\$17.00 3.03%	\$17.50 2.94%	\$18.09 3.37%	\$18.50 2%	\$19.00 3%	\$19.50 3%	\$20.00 3%
	FY11 Actual	FY12 Actual	FY13 Actual	FY14 BUDGET	FY15 Projected	FY16 Projected	FY17 Projected
Beginning Cash							
Revenues							
Facilities Maintenance Fee - Cash Basis	6,351,039.54	6,505,244.62	\$6,198,730.92	\$6,450,000.00	\$6,624,331.00	\$6,798,655.50	\$6,972,980.00
Interest Income	39,663.70	38,461.59	38,360.25	20,000.00	23,000.00	25,000.00	25,000.00
Total Revenues	6,390,703.24	6,543,706.21	6,237,091.17	6,470,000.00	6,647,331.00	6,823,655.50	6,997,980.00
Expenditures Category							
Campus Roofs	410,121.68	215,109.70	1,459,026.30	804,690.40	150,000.00	150,000.00	150,000.00
Power Plant & Distribution Systems	1,181,828.12	988,684.93	849,504.59	954,260.67	252,200.00	862,375.00	1,218,450.00
Academic / Classroom / Lab Upgrades	2,496,939.54	1,271,616.10	2,108,840.44	2,936,390.24	1,216,500.00	721,060.00	450,000.00
HVAC - General Campus	688,106.93	448,979.19	1,825,564.71	1,524,644.22	1,237,703.00	450,000.00	721,060.00
Small Deferred Maintenance Projects	680,757.98	991,516.62	952,509.22	1,232,699.54	1,400,000.00	1,021,064.00	1,902,630.00
Expenditures to be reimbursed with COPs			2,045,352.22	2,339,011.61	2,385,812.00	2,383,530.00	2,382,398.00
Debt Service payment <1>			-		6,642,215.00	5,588,029.00	6,824,538.00
Total Expenditures	5,457,754.25	3,915,906.54	9,240,797.48	9,791,696.68	6,642,215.00	5,588,029.00	6,824,538.00
Change in Cash Balance	932,948.99	2,627,799.67	(3,003,706.31)	(3,321,696.68)	5,116.00	1,235,626.50	173,442.00
Reimbursement from COPs			-	4,384,363.83			
Yr End Accrual Adjustment	-	(808,390.03)	-				
Beginning Cash	2,168,940.30	3,101,889.29	4,921,298.93	1,917,592.62	2,980,259.77	2,985,375.77	4,221,002.27
Ending Cash	3,101,889.29	4,921,298.93	1,917,592.62	2,980,259.77	2,985,375.77	4,221,002.27	4,394,444.27

Footnote:
<1> In FY 2014 COPs will be issued for \$30 million which will create costs for Debt Service Repayment.

Southern Illinois University
 Series 2014A Certificates of Participation
 Proforma Debt Service Coverage

	Projected			
	FY2014	FY2015	FY2016	FY2017
Facilities Maintenance Fee Revenue	\$ 6,450,000	\$ 6,624,331	\$ 6,798,655	\$ 6,972,980
Proforma Debt Service: 2014A COPs (new money)	\$ -	\$ 2,385,812	\$ 2,383,530	\$ 2,382,398
Proforma Debt Service Coverage Ratio	NA	2.78	2.85	2.93

***Southern Illinois University
Series 2014A
Certificates of Participation***

Refunding

- Series 2004A COPs
- \$13,990,000 Principal Refunded
- Call Date 2/15/2014

Southern Illinois University
Certificates of Participation
Annual Debt Service

Fiscal Year Ending 6/30	Series 2004A		
	Principal	Interest	Total
2014	1,760,000	733,850	2,493,850
2015	1,195,000	661,250	1,856,250
2016	1,070,000	610,463	1,680,463
2017	1,125,000	563,650	1,688,650
2018	1,170,000	513,025	1,683,025
2019	1,220,000	460,375	1,680,375
2020	1,280,000	403,950	1,683,950
2021	1,340,000	343,150	1,683,150
2022	1,400,000	279,500	1,679,500
2023	1,470,000	209,500	1,679,500
2024	2,720,000	136,000	2,856,000
Totals	15,750,000	4,914,713	20,664,713

Note: Maturities highlighted total \$13,990,000 and are expected to be refunded with the issuance of the Series 2014A Certificates of Participation

Southern Illinois University
Series 2014A Certificates of Participation
 Refunding Savings

Refunded Series 2004A				
Fiscal Year Ending 6/30	Principal	Coupon	Interest	Prior Debt Service
2015	1,195,000	4.25%	661,250	1,856,250
2016	1,070,000	4.38%	610,463	1,680,463
2017	1,125,000	4.50%	563,650	1,688,650
2018	1,170,000	4.50%	513,025	1,683,025
2019	1,220,000	4.63%	460,375	1,680,375
2020	1,280,000	4.75%	403,950	1,683,950
2021	1,340,000	4.75%	343,150	1,683,150
2022	1,400,000	5.00%	279,500	1,679,500
2023	1,470,000	5.00%	209,500	1,679,500
2024	2,720,000	5.00%	136,000	2,856,000
Totals	13,990,000		4,180,863	18,170,863

Refunding Series 2014A				
Fiscal Year Ending 6/30	Principal	Coupon	Interest	New Debt Service
2015	1,335,000	0.90%	403,162	1,738,162
2016	1,170,000	1.35%	388,920	1,558,920
2017	1,195,000	1.80%	373,125	1,568,125
2018	1,210,000	2.35%	351,615	1,561,615
2019	1,235,000	2.70%	323,180	1,558,180
2020	1,275,000	3.00%	289,835	1,564,835
2021	1,310,000	3.35%	251,585	1,561,585
2022	1,350,000	3.60%	207,700	1,557,700
2023	1,400,000	3.85%	159,100	1,559,100
2024	2,630,000	4.00%	105,200	2,735,200
Totals	14,110,000		2,853,422	16,963,422

Gross Savings: 1,207,440.08

NPV of Savings @ 4%: 988,207.64

***Southern Illinois University
Series 2014A
Certificates of Participation***

Total Request

▪ New Money	\$30,000,000
▪ Refunding of Series 2004A COPs	\$13,990,000
▪ Issuance Cost (Est.)	<u>\$2,010,000</u>
Total Request	\$46,000,000

Southern Illinois University

Certificates of Participation, Series 2014A

Sources & Uses of Funds

Sources:	Series 2014A		Total
	New Project Portion	Series 2004A Refunding	
Bond Principal	\$30,290,000.00	\$14,110,000.00	\$44,400,000.00
Uses:			
Project Fund	\$30,000,000.00		\$30,000,000.00
Series 2004A Refunding		\$13,990,000.00	13,990,000.00
Costs of Issuance	290,000.00	120,000.00	410,000.00
Total Uses	\$30,290,000.00	\$14,110,000.00	\$44,400,000.00

True Interest Cost (TIC)	4.525%	3.386%	4.281%
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Refunding Savings:	
Debt Service Savings	\$1,207,440
NPV of Savings @ 4.00%	\$988,208
% Savings	7.06%

Southern Illinois University

Certificates of Participation, Series 2014A

Annual Debt Service - New Project Portion

Fiscal Year	Principal	Coupon	Interest	Total
6/30/2014				
6/30/2015	1,180,000.00	0.90%	1,205,811.94	2,385,811.94
6/30/2016	1,195,000.00	1.35%	1,188,530.00	2,383,530.00
6/30/2017	1,210,000.00	1.80%	1,172,397.50	2,382,397.50
6/30/2018	1,235,000.00	2.35%	1,150,617.50	2,385,617.50
6/30/2019	1,260,000.00	2.70%	1,121,595.00	2,381,595.00
6/30/2020	1,295,000.00	3.00%	1,087,575.00	2,382,575.00
6/30/2021	1,335,000.00	3.35%	1,048,725.00	2,383,725.00
6/30/2022	1,380,000.00	3.60%	1,004,002.50	2,384,002.50
6/30/2023	1,430,000.00	3.85%	954,322.50	2,384,322.50
6/30/2024	310,000.00	4.00%	899,267.50	1,209,267.50
6/30/2025	1,495,000.00	4.20%	886,867.50	2,381,867.50
6/30/2026	1,560,000.00	4.40%	824,077.50	2,384,077.50
6/30/2027	1,630,000.00	4.50%	755,437.50	2,385,437.50
6/30/2028	1,700,000.00	4.65%	682,087.50	2,382,087.50
6/30/2029	1,780,000.00	4.75%	603,037.50	2,383,037.50
6/30/2030	1,865,000.00	4.90%	518,487.50	2,383,487.50
6/30/2031	1,955,000.00	4.95%	427,102.50	2,382,102.50
6/30/2032	2,055,000.00	5.05%	330,330.00	2,385,330.00
6/30/2033	2,155,000.00	5.10%	226,552.50	2,381,552.50
6/30/2034	2,265,000.00	5.15%	116,647.50	2,381,647.50
	30,290,000.00		16,203,471.94	46,493,471.94

Southern Illinois University

Certificates of Participation, Series 2014A

Annual Debt Service - Series 2004A Refunding

Fiscal Year	Principal	Coupon	Interest	Total
6/30/2014				
6/30/2015	1,335,000.00	0.90%	403,162.42	1,738,162.42
6/30/2016	1,170,000.00	1.35%	388,920.00	1,558,920.00
6/30/2017	1,195,000.00	1.80%	373,125.00	1,568,125.00
6/30/2018	1,210,000.00	2.35%	351,615.00	1,561,615.00
6/30/2019	1,235,000.00	2.70%	323,180.00	1,558,180.00
6/30/2020	1,275,000.00	3.00%	289,835.00	1,564,835.00
6/30/2021	1,310,000.00	3.35%	251,585.00	1,561,585.00
6/30/2022	1,350,000.00	3.60%	207,700.00	1,557,700.00
6/30/2023	1,400,000.00	3.85%	159,100.00	1,559,100.00
6/30/2024	2,630,000.00	4.00%	105,200.00	2,735,200.00
6/30/2025				0.00
6/30/2026				0.00
6/30/2027				0.00
6/30/2028				0.00
6/30/2029				0.00
6/30/2030				0.00
6/30/2031				0.00
6/30/2032				0.00
6/30/2033				0.00
6/30/2034				0.00
	14,110,000.00		2,853,422.42	16,963,422.42

Southern Illinois University

Certificates of Participation, Series 2014A

Annual Debt Service - Combine New Money and Refunding

Fiscal Year	Principal	Coupon	Interest	Total
6/30/2015	2,515,000.00	0.90%	1,608,974.36	4,123,974.36
6/30/2016	2,365,000.00	1.35%	1,577,450.00	3,942,450.00
6/30/2017	2,405,000.00	1.80%	1,545,522.50	3,950,522.50
6/30/2018	2,445,000.00	2.35%	1,502,232.50	3,947,232.50
6/30/2019	2,495,000.00	2.70%	1,444,775.00	3,939,775.00
6/30/2020	2,570,000.00	3.00%	1,377,410.00	3,947,410.00
6/30/2021	2,645,000.00	3.35%	1,300,310.00	3,945,310.00
6/30/2022	2,730,000.00	3.60%	1,211,702.50	3,941,702.50
6/30/2023	2,830,000.00	3.85%	1,113,422.50	3,943,422.50
6/30/2024	2,940,000.00	4.00%	1,004,467.50	3,944,467.50
6/30/2025	1,495,000.00	4.20%	886,867.50	2,381,867.50
6/30/2026	1,560,000.00	4.40%	824,077.50	2,384,077.50
6/30/2027	1,630,000.00	4.50%	755,437.50	2,385,437.50
6/30/2028	1,700,000.00	4.65%	682,087.50	2,382,087.50
6/30/2029	1,780,000.00	4.75%	603,037.50	2,383,037.50
6/30/2030	1,865,000.00	4.90%	518,487.50	2,383,487.50
6/30/2031	1,955,000.00	4.95%	427,102.50	2,382,102.50
6/30/2032	2,055,000.00	5.05%	330,330.00	2,385,330.00
6/30/2033	2,155,000.00	5.10%	226,552.50	2,381,552.50
6/30/2034	2,265,000.00	5.15%	116,647.50	2,381,647.50
	44,400,000.00		19,056,894.36	63,456,894.36

Southern Illinois University

Proforma Debt Service

After issuance of Series 2014A COPs

Fiscal Year	Housing Facilities System	Medical Facilities System	Certificates of Participation *		Total Gross Debt Service	Series 2009A BAB Credit	Series 2012B-2 QECCB Credit	Net Combined University Total
			Series 2004A	Series 2014A				
6/30/2014	26,535,010	1,765,250	2,493,850	2,493,850	30,794,110	(924,350)	(157,731)	29,712,029
6/30/2015	26,920,816	1,792,113	4,123,974	4,123,974	32,836,903	(897,262)	(157,731)	31,781,910
6/30/2016	26,845,435	1,816,000	3,942,450	3,942,450	32,603,885	(865,716)	(157,731)	31,580,438
6/30/2017	25,445,438	1,843,250	3,950,523	3,950,523	31,239,210	(829,965)	(157,731)	30,251,514
6/30/2018	26,748,393	1,871,250	3,947,233	3,947,233	32,566,875	(791,157)	(157,731)	31,617,987
6/30/2019	24,146,990	1,899,750	3,939,775	3,939,775	29,986,515	(749,419)	(157,731)	29,079,365
6/30/2020	24,240,683	1,928,500	3,947,410	3,947,410	30,116,593	(703,786)	(157,731)	29,255,075
6/30/2021	23,856,203	1,957,250	3,945,310	3,945,310	29,758,763	(657,022)	(157,731)	28,944,010
6/30/2022	21,490,133	1,985,750	3,941,703	3,941,703	27,417,585	(606,759)	(157,731)	26,653,095
6/30/2023	21,064,105	1,983,750	3,943,423	3,943,423	26,991,278	(553,349)	(157,731)	26,280,197
6/30/2024	20,278,013	547,500	3,944,468	3,944,468	24,769,980	(496,496)	(157,731)	24,115,753
6/30/2025	20,234,193	545,900	2,381,868	2,381,868	23,161,960	(435,992)	(157,731)	22,568,238
6/30/2026	20,140,255	543,400	2,384,078	2,384,078	23,067,733	(372,047)	(157,731)	22,537,955
6/30/2027	20,152,710		2,385,438	2,385,438	22,538,148	(303,366)	(157,731)	22,077,051
6/30/2028	20,085,030		2,382,088	2,382,088	22,467,118	(231,973)	(157,731)	22,077,414
6/30/2029	17,953,030		2,383,038	2,383,038	20,336,068	(157,651)	(157,731)	20,020,686
6/30/2030	10,576,745		2,383,488	2,383,488	12,960,233	(80,399)	(157,731)	12,722,103
6/30/2031	6,646,315		2,382,103	2,382,103	9,028,418		(157,731)	8,870,687
6/30/2032	6,642,335		2,385,330	2,385,330	9,027,665		(157,731)	8,869,934
6/30/2033	4,620,210		2,381,553	2,381,553	7,001,763		(157,731)	6,844,032
6/30/2034	4,619,760		2,381,648	2,381,648	7,001,408		(157,731)	6,843,677
6/30/2035	9,981,460				9,981,460			9,823,729
6/30/2036	2,604,000				2,604,000			2,604,000
	411,827,259	20,479,663	2,493,850	65,950,744	498,257,666	(9,656,707)	(3,470,082)	485,130,877

* After the anticipated refunding of Series 2004A.

Southern Illinois University

Government Interest Credits (BAB & QECB)

Sequestration Reductions

Series 2009A Build America Bond Credit
--

Payment Date	Original BAB Credit	Sequestration Reduction		Net BAB Credit
		Dollar Amount	Percentage	
October 1, 2013	\$ 462,175.00	\$ 40,209.23	8.70%	\$ 421,965.78
April 1, 2014	\$ 462,175.00	\$ 33,276.60	7.20%	\$ 428,898.40
FY14 Total	\$ 924,350.00	\$ 73,485.83		\$ 850,864.18

Note: The Build America Bond Interest Credit is equal to 35% of the Series 2009A Bonds taxable interest

Series 2012B-2 Qualified Energy Conservation Bond Credit
--

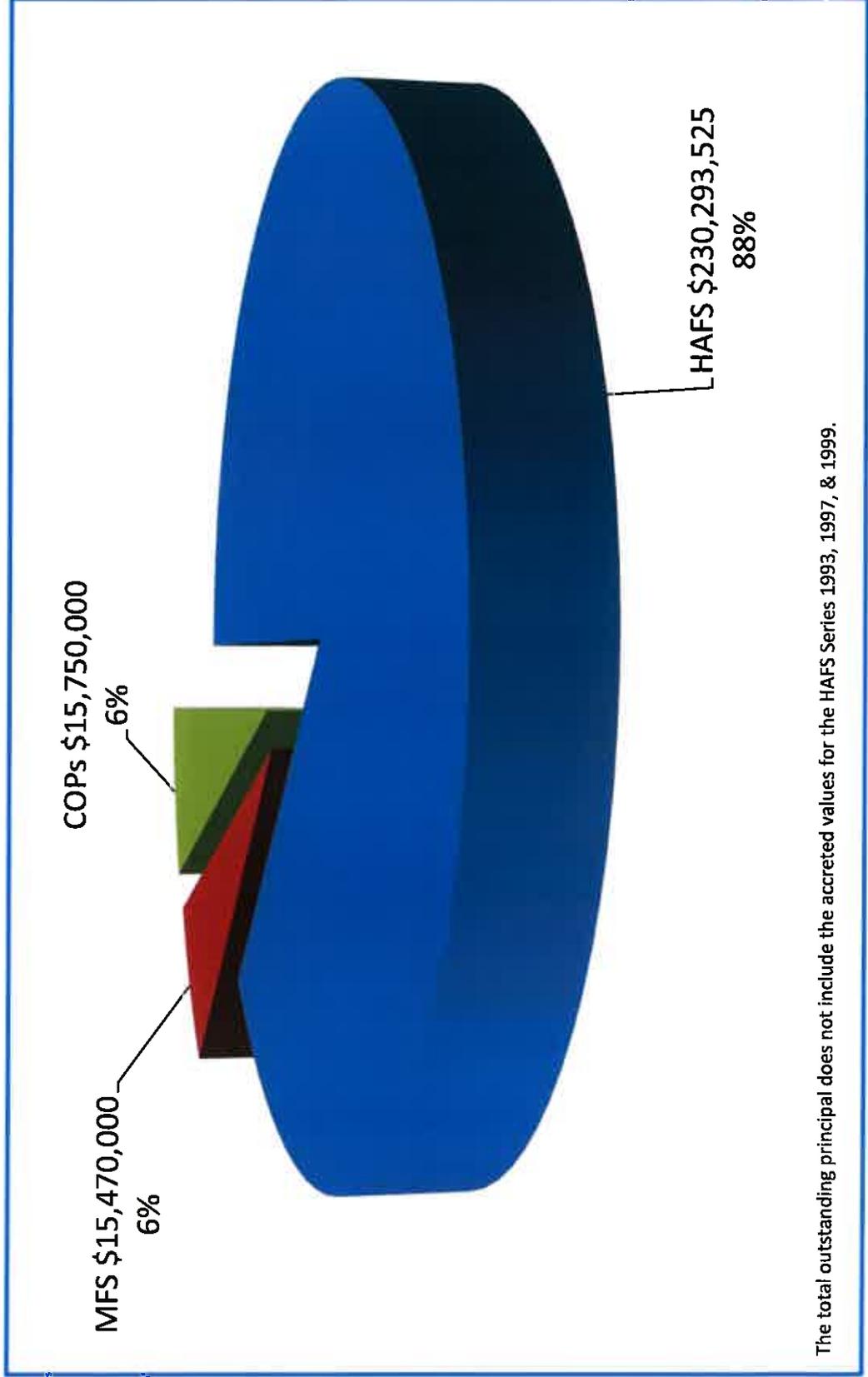
Payment Date	Original QECB Credit	Sequestration Reduction		Net QECB Credit
		Dollar Amount	Percentage	
October 1, 2013	\$ 78,865.50	\$ 6,861.30	8.70%	\$ 72,004.20
April 1, 2014	\$ 78,865.50	\$ 5,678.32	7.20%	\$ 73,187.18
FY14 Total	\$ 157,731.00	\$ 12,539.61		\$ 145,191.39

Note: The Qualified Energy Conservation Bond Credit is equal to 70% of the published Qualified Tax Credit Bond Rate.
(Published Rate for Series 2012B-2 bonds was 4.2% * 70% = 2.94% subsidy)

Southern Illinois University
Debt Portfolio
As of June 30, 2013



**Southern Illinois University
Outstanding Principal
As of June 30, 2013
\$261,513,525**



The total outstanding principal does not include the accreted values for the HAFS Series 1993, 1997, & 1999.

Southern Illinois University Total Debt Service

Fiscal Year Ending 6/30	Housing & Auxiliary Facilities System ¹	Medical Facilities System	COPS	Total
2014	26,535,010	1,765,250	2,493,850	30,794,110
2015	26,920,816	1,792,113	1,856,250	30,569,179
2016	26,845,435	1,816,000	1,680,463	30,341,898
2017	25,445,438	1,843,250	1,688,650	28,977,338
2018	26,748,393	1,871,250	1,683,025	30,302,668
2019	24,146,990	1,899,750	1,680,375	27,727,115
2020	24,240,683	1,928,500	1,683,950	27,853,133
2021	23,856,203	1,957,250	1,683,150	27,496,603
2022	21,490,133	1,985,750	1,679,500	25,155,383
2023	21,064,105	1,983,750	1,679,500	24,727,355
2024	20,278,013	547,500	2,856,000	23,681,513
2025	20,234,193	545,900		20,780,093
2026	20,140,255	543,400		20,683,655
2027	20,152,710			20,152,710
2028	20,085,030			20,085,030
2029	17,953,030			17,953,030
2030	10,576,745			10,576,745
2031	6,646,315			6,646,315
2032	6,642,335			6,642,335
2033	4,620,210			4,620,210
2034	4,619,760			4,619,760
2035	9,981,460			9,981,460
2036	2,604,000			2,604,000
Totals	\$ 411,827,259	\$ 20,479,663	\$ 20,664,713	\$ 452,971,634

¹ Debt service is before deduction of the interest subsidy from the Build America Bonds and Qualified Energy Conservation Bonds.

**Southern Illinois University
Housing and Auxiliary Facilities System Revenue Bonds
Annual Debt Service by Series**

Fiscal Year Ending 6/30	Series 2012B-1	Series 2012B-2	Series 2012A	Series 2009A ¹	Series 2008A	Series 2006A	Series 2004A ²	Series 1999A	Series 1997A	Series 1993A	HAFS Total	2012B-2 QECSB Subsidy ³	2009A BAB Subsidy ⁴	HAFS Net Total
2014	2,307,050	236,060	2,577,000	4,776,000	2,382,563	5,285,388	1,071,000	505,000	3,345,900	4,050,000	26,535,010	157,731	924,350	25,452,929
2015	3,341,850	236,060	2,039,400	4,748,606	2,437,063	6,387,838	3,175,000	505,000	3,175,000	4,050,000	26,920,816	157,731	887,262	28,866,823
2016	3,345,200	236,060	2,040,800	4,718,475	2,546,083	6,363,898	2,970,000	545,000	2,970,000	4,050,000	26,845,435	157,731	865,716	29,821,988
2017	3,336,000	236,060	2,690,400	4,681,328	2,626,563	4,320,088	2,690,000	815,000	2,690,000	4,050,000	25,445,438	157,731	829,965	24,457,742
2018	3,339,600	236,060	2,027,885	4,645,448	2,644,583	5,604,838	2,680,000	1,510,000	2,680,000	4,050,000	28,748,388	157,731	791,157	28,799,505
2019	3,335,400	236,060	2,025,170	4,601,198	2,712,813	5,565,350	2,712,813	5,670,000	2,712,813	4,050,000	24,146,960	157,731	749,419	23,239,840
2020	3,340,650	236,060	2,023,805	4,555,818	2,734,100	5,570,250	2,734,100	5,780,000	2,734,100	4,050,000	24,240,683	157,731	703,766	23,378,165
2021	3,346,150	236,060	2,023,525	4,512,205	2,788,350	4,998,913	2,788,350	5,850,000	2,788,350	4,050,000	23,856,203	157,731	657,022	23,041,450
2022	3,338,850	236,060	2,024,675	4,458,598	2,827,150	2,807,000	2,807,000	6,000,000	2,807,000	4,050,000	21,490,133	157,731	608,759	20,725,642
2023	2,972,850	236,060	2,027,823	4,405,998	2,817,525	2,604,250	2,604,250	6,000,000	2,604,250	4,050,000	21,064,105	157,731	553,349	20,353,025
2024	2,966,650	236,060	2,026,393	4,348,560	2,096,850	2,603,500	2,603,500	6,000,000	2,603,500	4,050,000	20,276,013	157,731	496,496	19,623,786
2025	2,971,400	236,060	2,026,518	4,290,690	2,105,025	2,604,500	2,604,500	6,000,000	2,604,500	4,050,000	20,234,193	157,731	435,992	19,640,470
2026	2,971,150	236,060	2,027,880	4,227,960	2,070,375	2,607,000	2,607,000	6,000,000	2,607,000	4,050,000	20,140,255	157,731	372,047	19,610,478
2027	2,965,900	236,060	2,024,540	4,158,780	2,068,700	2,605,750	2,605,750	6,100,000	2,605,750	4,050,000	20,152,710	157,731	303,366	19,691,613
2028	2,970,650	236,060	2,026,140	4,087,780	2,058,650	2,605,750	2,605,750	6,100,000	2,605,750	4,050,000	20,085,030	157,731	231,973	19,685,326
2029	2,974,850	236,060	2,025,140	4,010,430	2,058,650	2,606,750	2,606,750	6,100,000	2,606,750	4,050,000	17,853,030	157,731	157,651	17,637,649
2030	1,777,650	236,060	2,024,825	3,894,710	2,058,650	2,603,500	2,603,500	2,603,500	2,603,500	4,050,000	10,576,745	157,731	80,389	10,338,616
2031	1,779,400	236,060	2,024,855	3,894,710	2,058,650	2,606,000	2,606,000	2,606,000	2,606,000	4,050,000	8,646,315	157,731	80,389	8,468,584
2032	1,777,650	236,060	2,024,875	3,894,710	2,058,650	2,603,750	2,603,750	2,603,750	2,603,750	4,050,000	6,842,335	157,731	80,389	6,664,219
2033	1,777,400	236,060	2,024,875	3,894,710	2,058,650	2,606,750	2,606,750	2,606,750	2,606,750	4,050,000	4,620,210	157,731	80,389	4,462,479
2034	1,779,200	236,060	2,025,140	3,894,710	2,058,650	2,604,500	2,604,500	2,604,500	2,604,500	4,050,000	4,618,760	157,731	80,389	4,462,029
2035	1,778,400	5,601,060				2,604,000	2,604,000	2,604,000	2,604,000	4,050,000	9,981,460	157,731	80,389	9,823,729
2036						2,604,000	2,604,000	2,604,000	2,604,000	4,050,000	2,604,000	157,731	80,389	2,604,000
Total	60,491,300	10,558,320	39,731,248	75,160,591	36,912,350	83,202,450	1,071,000	69,560,000	14,870,000	20,250,000	411,827,259	3,470,062	9,856,707	398,700,470
Outstanding Original Principal (Post Series 2012B):	38,855,000	5,365,000	28,290,000	47,570,000	26,230,000	53,880,000	1,020,000	18,657,200	5,315,104	5,111,222	230,293,525			
Outstanding Principal (with CABS Accreted Value):	38,855,000	5,365,000	28,290,000	47,570,000	26,230,000	53,880,000	1,020,000	40,177,786	12,867,823	17,195,976	271,451,584			
26,920,816 Maximum Annual Debt Service (MADS)														

¹ Debt service is before deduction of the interest subsidy from the Qualified Energy Conservation Bonds.
² Debt service is before deduction of the interest subsidy from the Build America Bonds.
³ Debt service after refunding Series 2004A Bonds with proceeds from Series 2012B-1.
⁴ The subsidy shown is before the sequestration reduction.

**Southern Illinois University
Medical Facilities System
Annual Debt Service**

Fiscal Year Ending 6/30	Series 2005 Bonds		
	Principal	Interest	Total
2014	1,015,000	750,250	1,765,250
2015	1,085,000	707,113	1,792,113
2016	1,155,000	661,000	1,816,000
2017	1,240,000	603,250	1,843,250
2018	1,330,000	541,250	1,871,250
2019	1,425,000	474,750	1,899,750
2020	1,525,000	403,500	1,928,500
2021	1,630,000	327,250	1,957,250
2022	1,740,000	245,750	1,985,750
2023	1,825,000	158,750	1,983,750
2024	480,000	67,500	547,500
2025	500,000	45,900	545,900
2026	520,000	23,400	543,400
Total	15,470,000	5,009,663	20,479,663

Southern Illinois University
Certificates of Participation
Annual Debt Service

Fiscal Year Ending 6/30	Series 2004A		
	Principal	Interest	Total
2014	1,760,000	733,850	2,493,850
2015	1,195,000	661,250	1,856,250
2016	1,070,000	610,463	1,680,463
2017	1,125,000	563,650	1,688,650
2018	1,170,000	513,025	1,683,025
2019	1,220,000	460,375	1,680,375
2020	1,280,000	403,950	1,683,950
2021	1,340,000	343,150	1,683,150
2022	1,400,000	279,500	1,679,500
2023	1,470,000	209,500	1,679,500
2024	2,720,000	136,000	2,856,000
Totals	15,750,000	4,914,713	20,664,713

Illinois Public University Ratings ¹

	<u>Moody's</u>	<u>S&P</u>
Chicago State University	NR	NR
Eastern Illinois University	Baa1/Negative	A-/Stable
Governors State University	Baa1/Negative	A-/Stable
Illinois State University	A3/Negative	A+/Stable
Northeastern Illinois University	Baa1/Negative	A-/Stable
Northern Illinois University	A3/Negative	NR
<i>Southern Illinois University</i>	<i>A3/Negative</i>	<i>A+/Stable</i>
University of Illinois	Aa3/Negative	AA-/Stable
Western Illinois University	Baa1/Negative	A/Stable
State of Illinois	A3/Negative	A-/Negative

¹ Public university auxiliary system ratings and State of Illinois G.O. rating, as of August 9, 2013.

Southern Illinois University Budget



Table A

SOUTHERN ILLINOIS UNIVERSITY

FY 2014 OPERATING BUDGET

BY LINE ITEMS AND MAJOR FUND GROUPS



	Appropriated Funds (4)	Income Funds	Grants and Contracts (2)	Indirect Cost Recovery	Revenue Bond Operations	Self-Supporting Activities	All Funds 2014 Totals	Service (3) Departments
Beginning Cash Balance (1)	\$0	\$1,230,000	\$0	\$20,791,938	\$22,644,150	\$50,624,655	\$95,290,743	\$12,773,702
Revenue								
General Revenue (Tax Dollars)	\$205,861,100	\$0	\$0	\$0	\$0	\$0	\$205,861,100	\$0
Tuition / Student Fees	0	214,497,430	0	0	33,373,464	48,286,186	296,157,080	0
Interest Income	0	760,900	0	266,700	214,108	982,367	2,224,075	53,450
Sales & Services / Other Income	0	1,382,700	129,058,005	17,972,040	131,143,620	109,173,690	388,730,055	174,354,390
Total Revenue	\$205,861,100	\$216,641,030	\$129,058,005	\$18,238,740	\$164,731,192	\$158,442,243	\$892,972,310	\$174,408,040
Expenditures								
Personal Services	\$186,021,900	\$134,256,704	\$35,845,360	\$5,710,552	\$59,443,940	\$70,286,482	\$491,564,938	\$44,458,555
Travel	36,600	2,968,330	1,513,905	741,090	371,698	3,272,625	8,904,248	207,347
Equipment	1,006,200	8,291,375	3,051,988	2,417,400	2,005,330	4,534,450	21,306,743	5,407,884
Commodities	902,800	7,136,046	4,329,741	510,903	7,819,908	6,494,819	27,194,217	11,890,922
Contractual Services	8,164,800	43,304,419	22,662,841	7,584,670	46,159,799	49,107,057	176,983,586	58,659,849
Group Insurance	3,060,000	1,832,700	0	54,900	1,284,674	663,853	6,896,127	3,034,036
Operation of Automotive Equip	575,100	502,678	623,842	66,550	161,163	410,929	2,340,262	2,714,040
Telecommunication	1,307,300	944,540	272,924	76,961	1,639,543	1,041,346	5,282,614	5,280,906
Social Security/Medicare	2,309,400	2,547,039	116,063	0	529,085	809,153	6,310,740	592,678
Permanent Improvements	0	1,082,188	847,462	0	0	9,274,976	11,204,626	37,241,000
Other Expenses	2,477,000	235,000	15,140,454	561,589	8,871,554	7,655,385	34,940,982	3,273,655
Awards & Grants	0	13,887,611	44,653,425	3,000	11,700	5,758,950	64,314,686	23,748
Transfers to Debt Service & Reserves	0	0	0	0	39,707,235	225,216	39,932,451	2,021,800
Total Expenditures & Transfers	\$205,861,100	\$216,988,630	\$129,058,005	\$17,727,615	\$168,005,629	\$159,535,241	\$897,176,220	\$174,806,420
Planned Operating Results (+/-)	0	(347,600)	0	511,125	(3,274,437)	(1,092,998)	(4,203,910)	(398,380)
Estimated Ending Cash Balance	\$0	\$882,400	\$0	\$21,303,063	\$19,369,713	\$49,531,657	\$91,086,833	\$12,375,322

Notes:
 (1) Carryover cash balances are used for ongoing operational costs of support units and expenditures are restricted in accordance with bond covenants, Legislative Audit Commission guidelines and Illinois Statute.
 (2) Grants and Contracts - Revenues received from external sources match expenditures over the life of the grant, therefore the cash balance is reflected as zero.
 (3) Service Departments act as "flow through" accounts for services provided to University departments. In order to avoid double-counting of financial transactions, revenue and expenditures are not added to the University totals.
 (4) Direct payments by the State of Illinois for staff benefits on behalf of the University total about \$222 million per year.
 (5) Payments due to the SIU System from the State for FY 13 of \$31,415,522 as of 8/16/13.

AGENDA

MEETING OF THE BOARD OF TRUSTEES OF SOUTHERN ILLINOIS UNIVERSITY

Thursday, November 14, 2013
Approximately 10 a.m.

Conference Center, 2nd Floor
Delyte W. Morris University Center
Southern Illinois University Edwardsville

Call to Order by Chair

Pledge of Allegiance

Roll Call

Appointments by the Chair

Approval of Minutes of the Meetings Held September 11 and 12, 2013

Reinstatement of Law School Graduation Discussion and/or Action

BOARD OF TRUSTEES ACTIVITIES

A. Trustee Reports

B. Committee Reports

Executive Committee

- (1) Executive Committee Report: Appointment of Search Firm and Appointment of Presidential Search Advisory Committee Members

EXECUTIVE OFFICER REPORTS

C. President, Southern Illinois University

D. Chancellor, Southern Illinois University Carbondale

E. Chancellor, Southern Illinois University Edwardsville

PUBLIC COMMENTS AND QUESTIONS

RECEIPT OF INFORMATION AND NOTICE ITEMS

- F. Report of Purchase Orders and Contracts, August and September, 2013, SIUC
- G. Report of Purchase Orders and Contracts, August and September, 2013, SIUE

RATIFICATION OF PERSONNEL MATTERS

- H. Changes in Faculty-Administrative Payroll – SIUC
- I. Changes in Faculty-Administrative Payroll – SIUE
- J. Change in Faculty-Administrative Payroll – Office of the President and University-Wide Services

ITEMS RECOMMENDED FOR APPROVAL BY THE PRESIDENT

- K. Revision of Presidential Search Advisory Committee Charge, Composition and Timetable
- L. Approval of Purchase: Investment Banking Services, Southern Illinois University
- M. Authorization to Renew Installment Purchase Contract: "Certificates of Participation Series 2004A"
- N. Authorization for the Sale of Certificates of Participation (Capital Improvement Projects), Series 2014A
- O. Approval of Purchase: Software Support Contract, Southern Illinois University System
- P. Approval of Purchase: Electrical Services Associated with Remodeling and Maintenance Projects, Carbondale Campus, SIUC
- Q. Approval of Purchase: Miscellaneous Flooring Materials, Carbondale Campus, SIUC
- R. Revision to Residency Status Policies
[Amendment to 3 Policies of the Board A-1]
- S. Proposed Revisions to 4 Policies of the Board B, Appendix A1 and C, Appendix B1

- T. Proposed Alternate Tuition Rate: Regional Enhancement, SIUE [Addition to 4 Policies of the Board C, Appendix B, 1 Section B, 5]
- U. Proposed Alternate Tuition Rate: High Achievers Program, SIUE [Addition to 4 Policies of the Board C, Appendix B, 1 Section B, 6]
- V. Proposed Alternate Tuition Rate: Legacy Student Enhancement Program, SIUE [Addition to 4 Policies of the Board C, Appendix B, 1 Section B, 7]
- W. Approval of Salary and Appointment: Vice Chancellor for University Advancement, SIUE
- X. Supplemental Requisition Approval: Cooling System Contract, JW Neckers Building, Carbondale Campus, SIUC
- Y. Supplemental Requisition Approval: Structural Steel Contract, Renovation of Pulliam Hall, Carbondale Campus, SIUC
- Z. Project and Budget Approval: Quigley Hall Renovation, Carbondale Campus, SIUC
- AA. Project and Budget Approval: Replacement of Air Handling Units, Engineering A, Carbondale Campus, SIUC
- BB. Planning Approval: Stratton Quadrangle Brick Replacement, SIUE
- CC. Planning Approval: Outfield Turf Replacement Project, Simmons Law Firm Baseball Complex, SIUE
- DD. Award of Contract: Electric Distribution System Repairs and Upgrades, SIUE
- EE. Award of Contracts: Union Station Renovation, SIUE

Adjournment

Southern Illinois University
Board of Trustees
November 14, 2013

**AUTHORIZATION FOR THE SALE OF CERTIFICATES OF PARTICIPATION
(CAPITAL IMPROVEMENT PROJECTS), SERIES 2014A**

Summary

The Board of Trustees has previously supported a plan to debt finance \$30 million of maintenance at SIUC. Despite recent downgrades of debt ratings for the State of Illinois and for nearly all Illinois state universities, it is expected that current markets will provide favorable interest rates.

This matter requests Board approval to: issue Certificates of Participation (COPs), in one or more series, to fund new money projects and to refund all or a portion of the Series 2004A COPs if present value savings at time of sale warrant such refunding; authorize the distribution of the Preliminary and Final Official Statements; execute and deliver the Installment Purchase Contract, Indenture of Trust, Acquisition Agreement, Certificate Purchase Agreement(s) and Continuing Disclosure Agreement; appoint the parties who will participate in the sale; and authorize the Board Treasurer and authorized officers to take actions necessary to complete the proposed sale.

Rationale for Adoption

The Board has authority pursuant to the State University Certificates of Participation Act, 110 ILCS 73 (the "COPs Act"), to sell Certificates of Participation and enter into related financing agreements in connection with the financing of capital improvements. Issuance of the COPs is subject to compliance with the COPs Act which includes approval by the Commission on Government Forecasting and Accountability.

The following projects (the "Capital Improvement Projects") have received approval from the Board with the funding to come from external and/or internal financing as determined by the Board Treasurer.

At its May 10, 2012, meeting, the Board approved the Renovation of Pulliam Hall, SIUC, for a total estimated cost of \$7,000,000. The project scope included decommissioning the pools, installing a new floor, adding a new level in the gymnasium area, constructing a new studio, classrooms and faculty offices and upgrades to the mechanical, electrical and plumbing systems. On November 8, 2012, the Board approved a revised project and budget for the renovation of Pulliam Hall. The project scope was increased to include replacement of the roof and windows and the budget was increased by \$1,250,000.

At its July 12, 2012, meeting, the Board approved the project, Parkinson Laboratory HVAC, SIUC, for a total estimated cost of \$4,300,000. The project will replace the thirty-four year old heating, ventilation and air conditioning (HVAC) system.

At its July 12, 2012, meeting, the Board approved the project, Faner Hall HVAC, SIUC, for a total estimated cost of \$2,200,000. The project will replace the forty year old HVAC system.

At its July 12, 2012, meeting, the Board approved the project, James W. Neckers Building HVAC, SIUC, for a total estimated cost of \$1,500,000. The project will replace the fifty year old HVAC system.

At its July 12, 2012, meeting, the Board approved the project, Woody Hall Renovations, SIUC, for a total estimated cost of \$5,000,000. Most of the departments in Woody Hall have been moved to the new Student Services Building. This project will include renovations to the building and replacement or repairs to the mechanical, electrical and plumbing systems.

At its July 12, 2012, meeting, the Board approved the project, Roof Replacements, SIUC, for a total estimated cost of \$2,000,000. The project includes the replacement of roofs at the Wham Building, Pulliam-Wham Breezeway, Rehn Hall, Life Science III, and Studio Arts buildings.

At its July 12, 2012, meeting, the Board approved the project, Campus Lighting Upgrades, SIUC, for a total estimated cost of \$1,000,000. The project will identify specific areas and lighting types required to provide increased campus safety and a consistency of appearance across the main campus.

At its July 12, 2012, meeting, the Board approved the project, Steam Tunnel Repairs, SIUC, for a total estimated cost of \$1,000,000. The project will provide structural improvements to the fifty year old steam tunnels, including the replacement of pipe stanchions, expansion joints and steam specialties.

At its July 12, 2012, meeting, the Board approved the project, Window and Door Replacements, SIUC, for a total estimated cost of \$1,000,000. The project will identify specific buildings and repair or replace windows and doors to improve energy efficiency and provide functioning access hardware for increased security of the building.

At its September 13, 2012, meeting, the Board approved the project, Electrical Distribution Upgrades, SIUC, for a total estimated cost of \$5,000,000. The project will replace the electrical feeders and associated equipment in the campus distribution system that are at risk of failure due to deterioration and includes the purchase of a new 12.5kV source for installation at the east campus substation. Replacement of the feeders and equipment will be sized to convert the electrical

distribution from 5kV to 12.5kV, which will greatly improve the efficiency and reliability of the system and result in significant long-term savings in the purchase of electricity.

At this November 14, 2013, meeting, the Board will consider the project, Quigley Hall Renovation, SIUC, for a total estimated cost of \$1,200,000. If approved, the project will focus on the renovation of Quigley Hall to meet the needs of the School of Architecture.

A preliminary review indicates that it may be desirable to refund all or a portion of the Certificates of Participation, Series 2004A. The outstanding principal balances of these certificates are \$15,750,000. Funding for the refunding will come from the sale of additional new Certificates of Participation. Based on market conditions as of September 24, 2013, it is anticipated that \$13,990,000 of the Series 2004A COPs will be refunded. A refunding of these certificates is estimated to yield present value savings of approximately \$988,208 or 7.06%. The Board Treasurer will assess market conditions at the time of sale and will adjust the refunding component accordingly.

The Board Treasurer recommends funding for up to \$30,000,000 of the Capital Improvement Projects and for \$13,990,000 to refund the Series 2004A COPs to come from the sale of the Series 2014A COPs in the estimated sum not to exceed \$46,000,000 (net of original issue discount, if any); such sum to include allowable amounts for the costs of issuance. Funds to repay the Certificates of Participation will come from the Facilities Maintenance Fee, appropriated funds and other legally available non-appropriated funds available to the University.

On June 6, 2013, Moody's downgraded the State of Illinois General Obligation bonds from A2 (negative) to A3 (negative). Following the State's downgrade, Moody's placed the long-term rating of all Illinois public universities on review, and on August 9, 2013, downgraded almost every Illinois public universities' long-term rating. Southern Illinois University's rating was downgraded from A2 (negative) to A3 (negative). Despite the downgrade, the proposed COPs financing is expected to be accomplished at a favorable interest rate.

The Board Treasurer has recommended this matter to the President.

Considerations Against Adoption

University officers are aware of none.

Constituency Involvement

The Facilities Maintenance Fee, SIUC, was created and became effective Fall Semester 2007. The proposed fee was discussed with the Chancellor's Planning and Budget Advisory Committee, Undergraduate Student Government (USG) and

Graduate and Professional Student Council (GPSC). Proposed fee increases are presented annually to the USG and GPSC.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That:

(1) It is hereby determined to be desirable that the Board of Trustees of Southern Illinois University (the "Board") authorize the issuance of Certificates of Participation (Capital Improvement Projects), Series 2014A (the "Certificates"), in one or more series in order to provide funds to: (a) fund the Capital Improvement Projects; and (b) refund all or a portion of the outstanding Certificates of Participation (Capital Improvement Projects), Series 2004A (the "Series 2004A COPs").

(2) Pursuant to the University's existing contract, the firm of Chapman and Cutler LLP, Chicago, Illinois, be and is hereby retained as Special Counsel to the Board for all legal matters incidental to the authorization and issuance of the Certificates.

(3) Pursuant to the University's existing contract, the firm of John S. Vincent and Company LLC, Chicago, Illinois, be and is hereby retained as Financial Advisor for the preparation of the Preliminary and Final Official Statement and other matters related to the sale.

(4) U.S. Bank National Association, Chicago, Illinois, be and is hereby authorized to serve as Registrar and Paying Agent for the Certificates.

(5) Pursuant to the Board's approval to purchase investment banking services at this November 14, 2013, meeting, the firm of Raymond James, Memphis, TN, be and is hereby retained as Managing Underwriter for the issuance of the Certificates, with fees for such services contingent upon the actual sale of the Certificates. The Treasurer is hereby authorized to retain such other managing underwriter in lieu of or in addition to Raymond James and such other co-managing underwriters as he deems to be in the best interest of the Board.

(6) The Treasurer is hereby further authorized to negotiate a direct purchase of all or a portion of the Certificates by Raymond James Bank, N.A. (the "Bank") and/or Raymond James Capital Funding, Inc. ("RJCF"), in a principal amount that he deems to be in the best interest of the Board.

(7) For the sale of the Certificates, the Treasurer of this Board is hereby authorized to enter into a (i) Certificate Purchase Agreement with the Managing Underwriter, as representative of the Underwriters, (ii) Bank Certificate Purchase Contract with the Bank, and/or (iii) Certificate Purchase Contract with RJCF, each in substantially the form which is before the Board at this meeting.¹

(8) In order to provide for the refunding of all or a portion of the Board's outstanding Series 2004A COPs, the payment of the costs of the Capital Improvement Projects and the payment of costs of issuance, the Board authorizes the issuance of its Certificates, in one or more series, in an aggregate original principal amount not to exceed \$46,000,000 or \$32,000,000 if refunding Certificates are not issued (in each case, net of original issue discount, if any), with a final maturity of not later than February 15, 2034. The price at which the Certificates will be purchased by the Underwriters or directly by the Bank and/or RJCF shall not be less than 97% (exclusive of original issue discount) and the true interest cost (TIC) of borrowing for the Certificates that are issued on a tax-exempt basis will not exceed 6% (or in the event the Certificates or a portion of the Certificates are issued on a taxable basis, 8% per annum). The Certificates may be subject to optional redemption at a premium not in excess of 3% of the principal amount thereof.

(9) The Board approves the refunding of all or a portion of the Series 2004A COPs. Such Series 2004A COPs shall be refunded only if the Treasurer determines such refunding to be in the best interest of the Board and if aggregate savings attributable to such refunding are at least 3% of the principal amount of the Series 2004A COPs refunded.

(10) In the event that the Managing Underwriter determines that the acquisition of bond insurance for all or a portion of the Certificates is economical, the Treasurer is hereby authorized to agree to such standard covenants with a bond insurer, which is deemed by the Treasurer to be in the best interest of the Board.

(11) The Board approves the preparation and distribution of a Preliminary Official Statement, Official Statement, and Continuing Disclosure Agreement as prepared by the Financial Advisor and as shall be approved by the Underwriter, Special Counsel and Board Treasurer, and the execution of the Official Statement and Continuing Disclosure Agreement in substantially the forms which are before the Board at this meeting.¹

(12) The Board hereby approves the form of the Installment Purchase Contract, Indenture of Trust, and Acquisition Agreement, with such necessary changes as shall be approved by the Board Treasurer.¹

(13) The members, officers, agents and employees of this Board are hereby authorized and directed to do all such acts and to execute all such documents as may be necessary to carry out and comply with the provisions of these resolutions and with the acts and doings of the members, officers, agents, and employees of the Board which are in conformity with the intent and purposes of these Resolutions, whether heretofore or hereafter taken or done, shall be and are ratified, confirmed and approved.

¹ Copies of such documents are on file with the Secretary of the Board for recording. The Chairman, the Treasurer, the Secretary and other appropriate officers of the Board are hereby authorized and directed to execute such documents in the name of, and on behalf of, the Board in substantially the forms presented to this meeting, or with such changes as may be approved by the officer or officers of the Board executing the same (including, but not limited to, changes relating to the issuance of more than one series of Certificates, the interest on one of which may be taxable and the other tax-exempt), his/her or their execution thereof to constitute conclusive evidence of the Board's approval of all changes from the forms thereof presented to this meeting.