

May 7, 2014

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: University of Utah – Bonding Authorization for Construction of the Lassonde Living Learning Center, a Health Sciences Parking Structure, Replacement of Auxiliary Related Utilities Infrastructure, and for Refunding Outstanding Commercial Paper Notes and Revenue Bonds

Issue

The University of Utah (UU) has requested authorization of an approving resolution to issue up to \$200 million of revenue bonds in two categories:

- New project funding for the Lassonde Living Learning Center (\$45,238,000), a Health Sciences Parking Structure (\$19,980,000), and Replacement of Auxiliary Utilities Infrastructure (\$32,000,000)
- Refunding up to \$100 million of Series 2013B Commercial Paper (CP) General Refunding Notes with Revenue Bonds

In addition, UU is requesting approval to exercise the option authorized in the July 19, 2013 Board Meeting to extend the period for refunding currently outstanding revenue bonds from July 19, 2014 to July 19, 2015, so long as the amount issued and the other terms thereof are within the conditions and parameters set by the 2013 Resolutions.

Background

The legislature has authorized bonding for the three new money projects (Lassonde Living Learning Center in 2014; Utilities Infrastructure in 2014; and Health Sciences Parking Structure in 2012).

The Series 2013B Commercial Paper Notes were issued on July 29, 2013 with the understanding that they would be remarketed on their maturity dates as long as rates remained favorable and that UU could opt to refinance CP with tax-exempt fixed rate bonds on the call dates when they become eligible. This authorization will enable UU to refinance all or part of these notes as economic or structurally-beneficial opportunities arise.

The bonding resolution approved by the Board on July 19, 2013 authorized UU to refund existing debt with specific items to be refunded determined based on sensitivity analysis of bonds and market conditions when final bonding documents are prepared. To date, \$100,000,000 million of these bonds have been refinanced using the CP notes described above and \$32,785,000 was refinanced with revenue bonds issued on March 11, 2014. Extending the time period will enable the University to continue to look for refunding opportunities during this continuing low current interest rate environment.

The relevant parameters of the requested issue are:

- Principal amount not to exceed \$200,000,000 including costs of issuance and capitalized interest
- Interest rate not to exceed 6.0%
- Discount from par not to exceed 2.0%
- Final maturity not to exceed 25 years (10 years for the Infrastructure Project) from the date of issue
- May be non-callable or callable at the option of the University as determined at the time of sale

A copy of the request letter from UU, a Financing Summary from the University's financial consultant, and a draft of the Approving Resolution that provide additional detail about this request are attached for your review. Representatives from the University; Blake Wade, Bond Counsel with Ballard Spahr; and Kelly Murdock, Financial Advisor with RBC Capital Markets will be in attendance to provide additional information and answer questions from the Board.

Commissioner's Recommendation

The Commissioner recommends approval of the proposed Authorizing Resolution as well as authorization to extend issuance of bonds approved by the Board on July 19, 2013 until July 19, 2015.

David L. Buhler
Commissioner of Higher Education

DLB/GLS/WRH
Attachment



Office of the Vice President
for Administrative Services

April 23, 2014

David L. Buhler
Commissioner of Higher Education
Utah System of Higher Education
Board of Regents Building, Two Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

Dear Dave:

The purpose of this letter is to inform you of the University of Utah's plans to submit a resolution (the "Resolution") to the State Board of Regents of the State of Utah (the "Regents" or the "Board"), to be considered during its May 2014 meeting at Weber State University, for the issuance of a General Revenue Bond or Bonds on behalf of the University of Utah (the "University") for the financing of several new money projects.

Within the same Resolution, the University will also be asking the Regents for an extension of approximately one year for the issuance of certain previously authorized refunding bond issues as well as seeking approval for the refunding of a portion or all of the Board's \$100 million Taxable Commercial Paper General Revenue Refunding Notes, Series 2013B (the "Notes").

New Money Projects. The University currently has three construction projects either underway or planned within the next few months for which General Revenue Bonds of the University have been proposed. Bonding authorization for each has been previously secured from the Utah State Legislature. The projects are as follows:

Infrastructure Project. This \$99 million legislatively approved project is currently underway. A total of \$35 million of state funding was provided in FY13 consisting of \$22 million of capital development funds and \$13 million of capital improvement funds. For FY14, \$7.5 million of capital improvement funds was authorized. During the 2014 legislative session, an agreement was reached between the Legislature and the University regarding the balance of funding needed for the project. House Bill 9 authorized the issuance of debt for the project in the amount of \$32 million plus costs of issuance, capitalized interest, and any debt service reserve. It also directed the State Building Board to allocate up to \$1.5 million annually until July 1, 2024 to contribute towards the debt service of this debt. House Bill 2 authorized the use of capital improvement funds over multiple years to fund the balance of the project cost. Based on this direction, the State Building Board has allocated \$13.5 million of capital improvement funds for FY15 with the intent of allocating the remaining balance of \$11 million in FY16. This project includes the replacement and upgrade of the distribution systems for campus electricity (including substations) and High Temperature Water (distribution of heat from a central plant).

University of Utah
201 South Presidents Circle, Room 209
Salt Lake City, Utah 84112-9012
Office Phone (801) 581-6404
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David L. Buhler
April 23, 2014
Page Two

Parking Project. The University received bonding authorization of \$19.98 million for this project during the 2012 Legislative Session. This parking facility is planned to be built in the south Health Sciences campus and is planned for 800-1,000 stalls. Repayment of debt service on the bonds will be covered from net parking revenues generated from this and other University parking facilities.

Lassonde Living Center. The University recently received a pledge of \$12 million (\$7 million for construction to be received over 5 years and a \$5 million bequeath) from Pierre Lassonde, an MBA alumnus, to support the construction and programs of the Lassonde Center, to provide a facility that will merge student workshop space with more than 400 residences (beds). During the 2014 Session of the Utah Legislature, bonding approval for this project was provided at an amount not-to-exceed \$45.238 million plus costs of issuance and capitalized interest, if necessary.

Extension of Refunding Authorization. On July 19, 2013, the Regents adopted a resolution stating that bonds previously approved for refunding purposes could be sold in multiple series and from time to time for a period of up to one year following its adoption. The Resolution to be presented to the Regents at its May 2014 meeting seeks an additional one-year extension of this refunding authorization to July 19, 2015.

Authorization to refund the Board's \$100,000,000 Taxable Commercial Paper General Revenue Refunding Notes, Series 2013B (the "Series 2013B Notes"). The Resolution also contains a request by the University for the Regents to authorize the issuance of additional refunding bonds under the General Indenture to refinance all or a portion of the Series 2013B Notes, as economic or structurally-beneficial opportunities arise.

It is the University's plan that upon securing the Regents' approval of the Resolution at its May 2014 meeting, its financing team will then proceed forward with finalizing the plan of finance, updating all bonding-related documents, securing ratings, selecting underwriters, etc., with the goal of issuing one series of bonds for the three aforementioned projects (as well as including any refunding bonds as deemed economically beneficial) sometime during June or July 2014. The University would also note that a portion of these bonds could be privately placed with one or more banks should there exist a cost benefit of such a transaction and that such flexibility has been built into the Resolution.

Please feel free to call me should you or others have questions about the details of this financing request.

Sincerely,



Arnold B. Combe
Vice President

cc: President David W. Pershing
Dr. Gregory L. Stauffer
Ralph Hardy
John E. Nixon
Blake Wade
Kelly Murdock



FINANCING SUMMARY
For

State Board of Regents of the State of Utah
UNIVERSITY OF UTAH
General Revenue and Refunding Bonds
Series 2014B
(“Series 2014B Bonds”)

Purpose:	To finance all or a portion of three projects on the campus of the University of Utah (the “University”), as noted below. The University is also seeking approval from the Regents to (i) refund all or a portion of its Series 2013B Taxable Commercial Paper Refunding Notes, currently outstanding in the amount of \$100 million and (ii) extend for approximately one year the period for the University to refund any of its currently outstanding prior lien revenue bonds for savings purposes, both designed to take advantage of the low current interest rate environment.
Not-to-Exceed Par Amount (New Money Projects):	<ol style="list-style-type: none">1. Infrastructure Project: Not-to-exceed \$32 million2. Lassonde Project: Not-to-exceed \$45.238 million3. Parking Project: Not-to-exceed \$19.98 million
Not-to-Exceed Par Amount (Refunding of Commercial Paper Notes):	Not-to-exceed \$105 million
Not-to-Exceed Maturity:	<ol style="list-style-type: none">1. Infrastructure Project: Not-to-exceed 10-years2. Lassonde Project: Not-to-exceed 25-years3. Parking Project: Not-to-exceed 25-years
Security:	The Series 2014B Bonds will be payable from and secured by a General Revenue pledge which consists of substantially all of the income and revenues of the University authorized to be pledged.

Ratings: 'Aa1' and 'AA' ratings, recently reaffirmed by Moody's Investors Service and Standard and Poor's Corporation, respectively, are expected.

Method of Sale: Negotiated public offering

Refunding Savings: The inclusion of prior lien refunding revenue bonds in the proposed transaction will depend upon market rates at the time the bonds are issued and the net-present-value savings projected to be achieved.

All-in True Interest Cost: TBD

Underwriters: To be selected from University's pool of underwriters

Sale Date: TBD

Closing Date: TBD

Principal Payment Dates: August 1

Interest Payment Dates: August 1 and February 1

Interest Basis: 30/360

Optional Redemption: May be non-callable or subject to redemption as determined at the time of sale.

Other Not-to-Exceed Parameters:

Coupon:	6.00%
U/W Discount:	0.5% of the par amount (\$5.00/\$1000)
Final Maturity:	25-years

University Contacts:

Mr. Gordon Crabtree, Chief Financial Officer
University of Utah Hospitals and Clinics (801-581-7164)

Mr. Arnold Combe, Vice President for Administrative Services (801-581-6404)

Mr. John Nixon, Chief Business Officer (801-585-0806)

Bond Counsel: Mr. Blake Wade, Ballard Spahr LLP (801-531-3000)

Financial Advisor: Mr. Kelly Murdock, RBC Capital Markets (801-656-2928)

APPROVING RESOLUTION
UNIVERSITY OF UTAH
GENERAL REVENUE BONDS

Ogden, Utah

May 16, 2014

The State Board of Regents of the State of Utah (the "Board") met in regular session (including by electronic means) at Weber State University in Ogden, Utah on May 16, 2014, commencing at 9:00 a.m. The following members were present:

Bonnie Jean Beesley	Chair
Daniel W. Campbell	Vice Chair
Jessalie B. Anderson	Member
Nina Barnes	Member
Keith Buswell*	Member
Leslie Castle*	Member
Wilford Clyde	Member
France A. Davis	Member
James T. Evans*	Member
Marlin Jensen	Member
Robert S. Marquardt	Member
Erik Mikkelsen	Member
Jed H. Pitcher	Member
Robert W. Prince	Member
Harris H. Simmons	Member
Mark Stoddard	Member
Teresa L. Theurer	Member
Joyce P. Valdez	Member
John H. Zenger	Member

Absent:

Also Present:

David L. Buhler	Commissioner of Higher Education
Kirsten Schroeder	Secretary

* Non-voting member

After the meeting had been duly convened and called to order by the Chair, the roll had been called with the above result and after other matters not pertinent to this Resolution had been discussed, the Chair announced that one of the purposes of the meeting was the consideration of various matters with respect to the issuance and sale of the State Board of Regents of the State of Utah University of Utah General Revenue Bonds.

The following resolution was introduced in written form and after full discussion, pursuant to motion made by Regent _____ and seconded by Regent _____, was adopted by the following vote:

AYE:

NAY:

The resolution is as follows:

RESOLUTION

A RESOLUTION OF THE STATE BOARD OF REGENTS OF THE STATE OF UTAH AUTHORIZING THE ISSUANCE AND SALE OF ITS UNIVERSITY OF UTAH GENERAL REVENUE BONDS, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$200,000,000; AUTHORIZING THE EXECUTION OF SUPPLEMENTAL INDENTURES, BOND PURCHASE AGREEMENTS, OFFICIAL STATEMENTS, ESCROW AGREEMENTS, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; EXTENDING THE TIME FOR ISSUANCE OF CERTAIN PREVIOUSLY AUTHORIZED BONDS; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the State Board of Regents of the State of Utah (the “Board”) is established and exists under and pursuant to Section 53B-1-103, Utah Code Annotated 1953, as amended; and

WHEREAS, pursuant to the provisions of Title 53B, Chapter 1, Utah Code Annotated 1953, as amended, the Board is authorized to act as the governing authority of University of Utah (the “University”) for the purpose of exercising the powers contained in Title 53B, Chapter 21, Utah Code Annotated 1953, as amended, the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, and the Industrial Facilities and Development Act, Title 11, Chapter 17, Utah Code Annotated 1953, as amended (collectively, the “Act”); and

WHEREAS, on March 29, 2013, the Board adopted a resolution (the “March 2013 Resolution”) authorizing the issuance of not to exceed \$550,000,000 of general revenue and refunding bonds of the University for the purpose of financing and refinancing various projects (the “2013 Resolution Bonds”); and

WHEREAS, on July 19, 2013, the Board adopted a resolution (the “July 2013 Resolution” and collectively with the March 2013 Resolution, the “2013 Resolutions”) stating that the 2013 Resolution Bonds could be issued in multiple series and from time to time for a period of up to one year following adoption of the July 2013 Resolution; and

WHEREAS, pursuant to the 2013 Resolutions and a General Indenture of Trust dated as of July 1, 2013, between the Board and Wells Fargo Bank, N.A., as trustee (the “Trustee”), as heretofore amended and supplemented (the “General Indenture”), the Board previously issued, for and on behalf of the University, various series of its General Revenue Bonds; and

WHEREAS, the 2013 Resolutions permitted that the Board have the option to extend the period for the issuance of the 2013 Resolution Bonds for an additional year, and the Board desires to approve this extension from July 19, 2014 to July 19, 2015; and

WHEREAS, pursuant to the General Indenture the Board has issued its \$100,000,000 Taxable Commercial Paper General Revenue Refunding Notes, Series 2013B (the “Series 2013B Notes”) and the Board and the University desire to authorize the issuance of additional refunding bonds under the General Indenture to refinance the Series 2013B Notes, as the opportunity is beneficial to the Board and the University; and

WHEREAS, pursuant to the following sections of Utah Code Annotated 1953, as amended (the “Utah Code”), the Board, for and on behalf of the University, is authorized to issue bonds for the purpose of financing the costs of the following projects (collectively, the “Projects”):

<u>LEGISLATIVE AUTHORIZATION PURSUANT TO UTAH CODE SECTIONS:</u>	<u>PROJECT</u>	<u>AUTHORIZED AMOUNT*</u>
63B-23-101(1)	Construction of Lassonde Living Center (the “Lassonde Project”)	\$45,238,000*
63B-23-101(2)	Replacement of utility distribution infrastructure (the “Infrastructure Project”)	\$32,000,000*
63B-21-102(3)	Construction of parking structure in Health Sciences area (the “Parking Project”)	\$19,980,000

*Together with other amounts necessary to pay costs of issuance, to pay capitalized interest and fund any debt service reserve requirements.

; and

WHEREAS, the Board desires to (i) finance the Projects (including capitalized interest), (ii) refund all or any portion of the Series 2013B Notes, and (iii) pay costs of issuance related thereto; and

WHEREAS, to accomplish the purposes set forth in the preceding recital, the Board desires to authorize and approve the issuance and sale of its University of Utah General Revenue Bonds (with such additional or other title and/or series designation(s) as may be determined by the officers of the Board) (the “2014 Resolution Bonds”) in an aggregate principal amount of not to exceed \$200,000,000, pursuant to the General Indenture and Supplemental Indentures of Trust between the Board and the Trustee (the

“Supplemental Indentures” and collectively with the General Indenture, the “Indenture”); and

WHEREAS, the 2014 Resolution Bonds shall be payable solely from the University’s revenues and other moneys pledged therefor in the Indenture and shall not constitute nor give rise to a general obligation or liability of the Board, the University or the State of Utah or constitute a charge against their general credit; and

WHEREAS, in connection with funding one or more escrows to provide for the refunding of the Series 2013B Notes, the Board may enter into Escrow Deposit Agreements with the Trustee, as escrow agent (the “Escrow Agreement”); and

WHEREAS, there has been presented to the Board at this meeting a form of a Bond Purchase Agreement (the “Bond Purchase Agreement”) to be entered into among the Board, the University and the underwriters or purchasers for the 2014 Resolution Bonds (collectively, the “Purchaser”), a form of a Preliminary Official Statement relating to the 2014 Resolution Bonds, in the event the 2014 Resolution Bonds are publicly sold (the “Preliminary Official Statement”), and a form of the Supplemental Indenture; and

WHEREAS, the Board desires to grant to the Chair and/or Vice Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee of the Board, the authority to consider the interest rates and other objectives to be achieved due to the refunding of all or a portion of the Series 2013B Notes and to approve the notes to be refunded, the Projects to be financed, approve the interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the 2014 Resolution Bonds shall be sold and any changes with respect thereto from those terms which were before the Board at the time of adoption of this Resolution; provided such terms do not exceed the parameters set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF REGENTS OF THE STATE OF UTAH, AS FOLLOWS:

Section 1. All terms defined in the foregoing recitals hereto shall have the same meanings when used herein.

Section 2. All actions heretofore taken (not inconsistent with the provisions of this resolution) by the Board and the University and the officers of the Board or the University directed toward the issuance of the 2014 Resolution Bonds are hereby ratified, approved and confirmed.

Section 3. The Board hereby authorizes, approves and directs the use and distribution of the Preliminary Official Statement substantially in the form of the Preliminary Official Statement presented to the Board at this meeting in connection with the offering and sale of the 2014 Resolution Bonds, in the event the specific 2014 Resolution Bonds are publicly sold. The Chair, Vice Chair and/or Chair of the Finance, Facilities and Accountability Committee of the Board and the President, Vice President for Administrative Services and/or Chief Business Officer of the University are hereby authorized to execute and deliver on behalf of the Board a final Official Statement in

substantially the same form and with substantially the same content as the form of the Preliminary Official Statement presented to this meeting with any such alterations, changes or additions as may be necessary to finalize the Official Statement. The preparation, use and distribution of the Official Statement are also hereby authorized. The Board and the University may elect to privately place the 2014 Resolution Bonds with or without the use of an Official Statement.

Section 4. The Supplemental Indentures and Escrow Agreements, in substantially the forms presented to this meeting are in all respects authorized, approved and confirmed. The Chair, Vice Chair and/or Chair of the Finance, Facilities and Accountability Committee and Secretary of the Board and the President, Vice President for Administrative Services and/or Chief Business Officer of the University are hereby authorized to execute and deliver the Supplemental Indentures and the Escrow Agreements in substantially the same forms and with substantially the same content as the forms of such document presented to this meeting for and on behalf of the Board and the University with such alterations, changes or additions as may be authorized by Section 8 hereof.

Section 5. For the purpose of providing funds to be used for (i) financing the cost of the Projects (including capitalized interest), (ii) refunding all or any portion of the Series 2013B Notes, and (iii) paying costs of issuance of the 2014 Resolution Bonds, the Board hereby authorizes the issuance of the 2014 Resolution Bonds from time to time and in one or more series in the aggregate principal amount of not to exceed \$200,000,000. The 2014 Resolution Bonds shall mature on such date or dates, be subject to redemption, and bear interest at the rates as shall be approved by the Chair or Vice Chair of the Board or the Chair of the Finance, Facilities and Accountability Committee, all within the parameters set forth on Exhibit A attached hereto and incorporated herein by reference. The issuance of the 2014 Resolution Bonds shall be subject to the final advice of Bond Counsel and to the approval of the office of the Attorney General of the State of Utah.

Section 6. The form, terms and provisions of the 2014 Resolution Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, interest rates, redemption and number shall be as set forth in the Indenture. The Chair, Vice Chair and/or Chair of the Finance, Facilities and Accountability Committee and the Secretary of the Board and the President, Vice President for Administrative Services and/or Chief Business Officer of the University are hereby authorized to execute and seal by manual or facsimile signature the 2014 Resolution Bonds and to deliver the 2014 Resolution Bonds to the Trustee for authentication. All terms and provisions of the Indenture and the 2014 Resolution Bonds are hereby incorporated in this Resolution. The appropriate officials of the Board and the University are hereby authorized to execute and deliver to the Trustee the written order of the Board for authentication and delivery of the 2014 Resolution Bonds in accordance with the provisions of the Indenture.

Section 7. The 2014 Resolution Bonds shall be sold to each Purchaser with a Purchaser's discount of not to exceed 0.5% of the face amount of the specific 2014

Resolution Bonds. The Bond Purchase Agreements in substantially the form presented to this meeting are hereby authorized, approved and confirmed. The Chair or Vice Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee and the President, Vice President for Administrative Services and/or Chief Business Officer of the University are hereby authorized to execute and deliver the Bond Purchase Agreements in substantially the same form and with substantially the same content as the form of the Bond Purchase Agreement presented at this meeting for and on behalf of the Board with final terms as may be established for the specific 2014 Resolution Bonds within the parameters set forth herein and with such alterations, changes or additions as may be necessary or as may be authorized by Section 8 hereof. The Chair or Vice-Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee and the President, Vice President for Administrative Services and/or Chief Business Officer of the University are hereby authorized to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features and purchase price with respect to the specific 2014 Resolution Bonds for and on behalf of the Board and the University and any changes thereto from those terms which were before the Board at the time of adoption of this Resolution, provided such terms are within the parameters set by this Resolution, with such approval to be conclusively established by the execution of the related Bond Purchase Agreement and Supplemental Indenture.

Section 8. The appropriate officials of the Board and the University, including without limitation the Chair or Vice Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee and the President, Vice President for Administrative Services and/or Chief Business Officer of the University are authorized to make any alterations, changes or additions to the Indenture, the Escrow Agreements, the 2014 Resolution Bonds, the Bond Purchase Agreements, the Preliminary Official Statements, the Official Statements, or any other document herein authorized and approved which may be necessary to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Board or the provisions of the laws of the State of Utah or the United States or to permit the private placement or public sale of the 2014 Resolution Bonds, to conform such documents to the terms established for the specific series of the 2014 Resolution Bonds and to update such documents with current information and practices.

Section 9. The appropriate officials of the Board and the University, including without limitation the Chair, Vice Chair, the Chair of the Finance, Facilities and Accountability Committee, Commissioner of Higher Education and Secretary of the Board and the President, Vice President for Administrative Services and/or Chief Business Officer of the University, are hereby authorized and directed to execute and deliver for and on behalf of the Board and the University any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 10. The appropriate officers of the Board and the University, including without limitation the Chair, Vice Chair, the Chair of the Finance, Facilities and Accountability Committee, Commissioner of Higher Education and Secretary of the Board and the President, Vice President for Administrative Services and/or Chief Business Officer of the University are hereby authorized to take all action necessary or reasonably required by the Indenture, the Preliminary Official Statement, the Official Statement, or the Bond Purchase Agreement to carry out, give effect to and consummate the transactions as contemplated thereby and are authorized to take all action necessary in conformity with the Act.

Section 11. Upon their issuance, the 2014 Resolution Bonds will constitute special limited obligations of the Board payable solely from and to the extent of the sources set forth in the Indenture. No provision of this Resolution, the 2014 Resolution Bonds, the Bond Purchase Agreement, the Official Statement, the Escrow Agreement, the Indenture or any other instrument executed in connection with the issuance of the 2014 Resolution Bonds, shall be construed as creating a general obligation of the Board or the University, or of creating a general obligation of the State of Utah or any political subdivision thereof, nor as incurring or creating a charge upon the general credit of the Board, the University, the State of Utah or any political subdivision thereof.

Section 12. In accordance with the provisions of the Refunding Bond Act, the Board shall cause the following "Notice of Bonds to be Issued" to be (i) published one (1) time in The Salt Lake Tribune and the Deseret News, newspapers of general circulation in the State of Utah, (ii) posted on the Utah Public Notice Website (<http://pmn.utah.gov>) and (iii) posted on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended, and shall cause a copy of this Resolution and the Indenture to be kept on file in the Board's office in Salt Lake City, Utah, for public examination during the regular business hours of the Board until at least thirty (30) days from and after the date of publication thereof. The "Notice of Bonds to be Issued" shall be in substantially the following form:

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended that on May 16, 2014, the State Board of Regents of the State of Utah (the "Board") adopted a resolution (the "Resolution") in which it authorized the issuance of the Board's University of Utah General Revenue Bonds (with such additional or other designation as the officers of the Board may determine) (the "2014 Resolution Bonds"), for the purpose of (i) refunding all or a portion of certain of the Board's outstanding revenue obligations issued to refinance facilities and improvements for the University of Utah (the "University") (the "Refunding Project"), (ii) financing (x) the construction of the Lassonde Living Center (the "Lassonde Project"), (y) the replacement of the University's utility distribution infrastructure (the "Infrastructure Project"), and (z) the construction of a parking structure in the Health Sciences area (the "Parking Project") and (iii) paying costs of issuance of the 2014 Resolution Bonds. The 2014 Resolution Bonds shall be issued in an aggregate principal amount of not to exceed \$200,000,000, bearing interest at rates of not to exceed 6.0% per annum, maturing in not to exceed twenty-five (25) years (ten (10) years in the case of the 2014 Resolution Bonds issued for the Infrastructure Project), and to be sold at a price of not less than 98% of the principal amount thereof.

The 2014 Resolution Bonds are to be issued and sold by the Board pursuant to a General Indenture of Trust, as previously amended and supplemented (the "General Indenture") and the Resolution, including as part of said Resolution a form of a Supplemental Indenture of Trust (collectively with the General Indenture, the "Indenture").

The 2014 Resolution Bonds are secured by a pledge of revenues of the University's auxiliary and campus facilities system, hospital system, research facilities and other legally available moneys of the University (as described in the Indenture).

A copy of the Resolution and the Indenture are on file in the office of the Board at 60 South 400 West, 5th Floor, Salt Lake City, Utah, where they may be examined during regular business hours of the Board from 8:00 a.m. to 5:00 p.m. for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture (only as it relates to the 2014 Resolution Bonds), or the 2014 Resolution Bonds, or any provision made for the security and payment of the 2014 Resolution Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause whatsoever.

DATED this 16th day of May, 2014.

/s/ Kirsten Schroeder
Secretary

Section 13. The Board hereby approves the extension of the period permitted for the issuance of the 2013 Resolution Bonds from July 19, 2014 to July 19, 2015, so long as the amount issued and the other terms thereof are within the parameters set by the 2013 Resolutions.

Section 14. After any of the 2014 Resolution Bonds are delivered by the Trustee to or for the account of the Purchaser and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the 2014 Resolution Bonds are deemed to have been fully discharged in accordance with the terms and provisions of the Indenture.

Section 15. If any provisions of this Resolution should be held invalid, the invalidity of such provisions shall not affect the validity of any of the other provisions of this Resolution.

Section 16. All resolutions of the Board or parts thereof inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

Section 17. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY THE STATE BOARD OF REGENTS OF THE
STATE OF UTAH THIS 16TH DAY OF MAY, 2014.

STATE BOARD OF REGENTS OF THE
STATE OF UTAH

Chair

ATTEST:

Secretary

After the conduct of other business not pertinent to the above, the meeting was, on motion duly made and seconded, adjourned.

Chair

ATTEST:

Secretary

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Kirsten Schroeder, do hereby certify that I am the duly qualified and acting Secretary of the State Board of Regents of the State of Utah.

I further certify that the above and foregoing constitutes a true and correct copy of an excerpt of the minutes of a meeting of said Board held on May 16, 2014 and of a resolution adopted at said meeting, as said minutes and resolution are officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of said Board this 16th day of May, 2014.

Secretary

(SEAL)

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Kirsten Schroeder, the undersigned, the duly qualified and acting Secretary of the State Board of Regents of the State of Utah, do hereby certify, according to the records of said State Board of Regents in my official possession, and upon my own knowledge and belief, that:

(a) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice was given of the agenda, date, time and place of the May 16, 2014 public meeting held by the Members of the State Board of Regents by causing a Notice of Public Meeting, in the form attached hereto as Schedule 1 to be: (i) posted at the principal office of the State Board of Regents at 60 South 400 West, Salt Lake City, Utah, on May __, 2014, at least 24 hours prior to the convening of such meeting, said Notice of Public Meeting having continuously remained so posted and available for public inspection during the regular office hours of the State Board of Regents until the convening of the meeting; (ii) published on the Utah Public Notice Website (<http://pmn.utah.gov>), at least 24 hours prior to the convening of such meeting; and (iii) provided on March 22, 2013, at least 24 hours prior to the convening of such meeting, to the Deseret News and The Salt Lake Tribune, newspapers of general circulation within the geographic jurisdiction of the State Board of Regents, and to each local media correspondent, newspaper, radio station or television station which has requested notification of meetings of the State Board of Regents;

(b) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice of the 2013-2014 Annual Meeting Schedule of the State Board of Regents was given, specifying the date, time and place of the regular meetings of the State Board of Regents scheduled to be held during the year, by causing a Notice of Annual Meeting Schedule for the State Board of Regents, in the form attached hereto as Schedule 2, to be (i) posted at the principal office of the State Board of Regents at 60 South 400 West, Salt Lake City, Utah in June 2013; (ii) provided in June 2013 to a newspaper of general circulation within the geographic jurisdiction of the State Board of Regents, and (iii) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year; and

(c) the State Board of Regents has adopted written procedures governing the holding of electronic meetings in accordance with Section 52-4-207 Utah Code Annotated 1953, as amended (a copy of which is attached hereto as Schedule 3). In accordance with said Section and the aforementioned procedures, notice was given to each member of the State Board of Regents and to members of the public at least 24 hours before the meeting to allow members of the State Board of Regents and the public to participate in the meeting, including a description of how they could be connected to the meeting. The State Board of

Regents held the meeting (the anchor location) in the building where it normally meets and provided space and facilities at the anchor location so that interested persons and the public could attend and participate.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of the State Board of Regents of the State of Utah, this 16th day of May, 2014.

(SEAL)

Secretary

SCHEDULE 1

NOTICE OF PUBLIC MEETING

(See Transcript Document No. ____)

SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

(See Transcript Document No. ___)

SCHEDULE 3

ELECTRONIC MEETING POLICY

EXHIBIT A

PARAMETERS OF THE 2014 RESOLUTION BONDS

Principal amount not to exceed	\$200,000,000
Interest rate not to exceed	6.0%
Discount from par not to exceed	2.0%
Final maturity not to exceed	Twenty Five (25) years (Ten (10) years for Infrastructure Project) from the date thereof
May be non-callable or callable at the option of University as determined at the time of sale	