MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES

Agenda Item Summary Sheet

Committee: Finance and Facilities **Date of Meeting:** January 18, 2011

Agenda Item: Revenue Fund Bond Sale – Second Reading

☐	Proposed Policy Action	x	Approval Required by Policy	☐	Other Approvals	☐	Monitoring

x Information

Cite policy requirement, or explain why item is on the Board agenda: The Board of Trustees has statutory and fiduciary responsibility for the Revenue Fund. Under current statute, the Board of Trustees has authority to issue revenue bonds up to the statutory debt ceiling imposed by the legislature to finance revenue-generating facilities.

Scheduled Presenter(s): Brian Yolitz, Associate Vice Chancellor for Facilities
Laura M. King, Vice Chancellor – Chief Financial Officer

Outline of Key Points/Policy Issues: Earlier this year, campuses submitted Revenue Fund project requests to the Office of the Chancellor for consideration in the next bond sale, tentatively scheduled for February 2011. Based on predesign work and financial analysis, a Revenue Fund bond sale of up to $90 million is being proposed. Since student fees are the primary source of revenue for the repayment of Revenue Fund debt, student consultation is required. Each institution's student senate supports their project.

Background Information: The legislature created the Revenue Fund in 1955, which gave the Fund authority to issue revenue bonds to finance construction and renewal of revenue-generating facilities, primarily student residence halls and student unions. Debt obligations of the Revenue Fund, unlike capital appropriations for academic facilities, are not debt obligations of the State of Minnesota and are backed solely by the physical assets pledged and the revenue generated from them.

Eligibility for participation in the Revenue Fund, which had been restricted to the universities since its creation, was expanded to include the colleges through legislation in 2008. The statutory debt ceiling was increased from $200 million to $300 million during the 2010 legislative session in anticipation of the projects being proposed in this upcoming bond sale.

Second Reading

BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES

ACTION ITEM
Revenue Fund Bond Sale

BACKGROUND

Capital assets within the Minnesota State Colleges and Universities system can be identified as either academic or auxiliary. Most academic facilities are constructed and remodeled through capital appropriations, using proceeds from state government-issued general obligation bonds. Operating costs, including utilities, maintenance and repairs are funded primarily by state operating budget appropriations, tuition, and other revenues. Minnesota State Colleges and Universities generally pays one-third of the debt service on state bond funded projects. The entire debt is an obligation of the state and is backed up by the full faith and credit of the State of Minnesota. The required debt service is split between the college or university and the system, each paying one-sixth of the debt.

Financing Auxiliary Facilities

Auxiliary operations typically include residence halls, dining facilities, student unions, recreational facilities, bookstores, parking facilities and similar operations. Unlike academic facilities, Revenue Fund auxiliary facilities (hereinafter called Revenue Fund facilities) must "pay their own way" and generate their own construction, maintenance, operations and repair funding through room, board, and other related facility fees or gifts.

Revenue Fund Creation

The state university board originally was given authority by the legislature in 1955 to issue revenue bonds through the Revenue Fund to provide funding for construction and renewal of these and similar revenue-producing facilities. That authority was carried over to the Board of Trustees when the Minnesota State Colleges and Universities system was created. Continuing statutory authority is contained in Minnesota Statutes, Chapter §§136F.90-98. Debt obligations of the Revenue Fund, unlike capital appropriations for academic facilities, are not debt obligations of the State of Minnesota and are backed solely by the revenue generated from the related physical assets. Authority for participation in the Revenue Fund, which had been restricted to the universities since its creation, was expanded to the colleges through legislation in 2008. Direct state appropriations and tuition receipts are not eligible to pay revenue bond debt. Campuses are required to charge sufficient fees and generate adequate revenues to sustain their revenue fund program.

DELEGATION AND FINANCIAL RESPONSIBILITIES

The Board of Trustees has fiduciary responsibility for the Revenue Fund. The Board has delegated that responsibility to manage the Revenue Fund assets to the Chancellor, who in turn has delegated responsibility to the presidents to manage programs, operations, and the maintenance and repair of Revenue Fund facilities at each institution. The Chancellor retains management and compliance oversight responsibility over the entire Fund in the Office of the Chancellor.

Similar to financial operations within the General Fund, Revenue Fund activities must adhere to the Minnesota State Colleges and Universities financial policies and procedures, with added compliance requirements to ensure adherence to federal requirements related to bond issuances. Financial and facilities information is provided as scheduled or requested. The Revenue Fund maintains financial detail in system-wide annual financial statements.

Fees and Financial Plans

Although presidents are delegated responsibility to manage the Revenue Fund programs at their own institution, the Board is required by statute and the Fund's Master Indenture to annually approve fees and long term financial commitments. Annual finance plans for each institution's portion of the Revenue Fund, including fees to support these plans, are submitted to the Office of the Chancellor staff for review and approval by the Board. Each institution is required to present a balanced finance plan. Finance plans must include funds for operations, Repair and Replacement (R&R), debt service (as required), and operating reserves, as prescribed by Minnesota State Colleges and Universities. Plans are also required to reflect funding of the Revenue Fund Reinvestment Program. While operating revenues normally produce enough funds for operations and R&R, Reinvestment Program funds have typically come from the sale of Revenue Fund bonds. The fees to support the operations and facilities are approved by the Board prior to the beginning of each fiscal year.

REVENUE FUND REINVESTMENT PROGRAM

A facility condition assessment was undertaken in 1998-99 to quantify the physical condition of all facilities within the system. An estimated $165 million maintenance and repair backlog was identified within the Revenue Fund facilities. The backlog, when coupled with out-dated facilities, prompted the development of the Reinvestment Program which was approved by the Board of Trustees in January 2000. The overarching goal of the Reinvestment Program is to maximize available financial resources to achieve the greatest improvements and reduce deficiency backlogs in the Revenue Fund facilities. Each institution is responsible for developing a plan that works within their programmatic and financial parameters. Reinvestment plans may use a variety of approaches including renovation, decommissioning/demolition, and building of new facilities.

Facilities Condition Index

In 2005, the Office of the Chancellor contracted with a national facilities consulting firm, Pacific Partners Consulting Group, to work with all MnSCU colleges and universities in developing a new data base and reinvestment model. Current data indicates a Revenue Fund backlog of approximately $100 million with a Facilities Condition Index (FCI) of 0.11. In addition to monitoring backlog reduction, the model also predicts building systems replacement or renewal scheduling, and associated costs on a building, campus, and system-wide basis.

Reinvestment Strategy

The campuses use operating funds for some remodeling projects, but primarily use bond proceeds for large renovation projects, demolition or new construction. While backlog reduction is an important part of the Reinvestment Program, equally important is the cyclical planning for building component replacement so that the backlog does not increase. The campuses usually use repair and replacement funds for this purpose. The reinvestment strategy will continue to be evaluated to determine the most effective strategy. The 2011 bond sale includes several renovation projects that will reduce deferred maintenance issues of Revenue Fund facilities.

BOND SALE PROCESS

The Bond Sale process begins with the development of a Revenue Fund eligible project, typically from the campus's Facilities Master Plan. All proposed Revenue Fund projects should be in compliance with a campus's Facilities Master Plan. With the recent eligibility of colleges in the Revenue Fund, the colleges are starting to integrate Revenue Fund planning into their overall Facilities Master Plan updates. Campuses update their Facilities Master Plans on a five-year cycle.

The Revenue Fund process continues on the individual campus when administrators and students refine the need for a specific project. The campus initiates a predesign to evaluate the feasibility of the project and works with the Office of the Chancellor staff to develop a financial pro forma that meets the financial requirements for a viable project. Since student fees are the primary source of revenue for the repayment of Revenue Fund debt, students are involved in project planning. At critical stages, student consultation letters are solicited from student leadership.

Project List

After the predesign process and evaluation of a project's financial viability, a final project list is assembled for consideration by the Board of Trustees. In preparation for that consideration, the Fund's financial advisor (Springsted, Inc.) and bond counsel (Leonard, Street, and Deinard) will review the components: The financial advisor appropriately sizes the bond sale, and bond counsel provides legal documentation and advice along the way. In order to minimize bond sale cost, projects are usually bundled into taxable and tax-exempt series totaling together at least $20 million. All Revenue Fund construction projects follow similar planning, design and construction processes as academic projects.

Bond Structure

The Revenue Fund typically sells tax exempt bonds and usually a small portion of taxable bonds in each sale. In this sale, the Fund is proposing to issue tax exempt bonds that mature in 20 years, and taxable bonds that mature in 10 years as more particularly described on **Attachment A**. The portion of taxable bonds issued for a sale are primarily used for future planning and design funds, and for portions of construction or renovation facilities that house for-profit retail services, such as dining services or student unions. The Revenue Fund has issued bonds with shorter or longer maturities depending on specific project circumstances. Revenue bonds are either sold in a competitive or negotiated process, and are usually purchased by financial institutions and brokers.

In the November Board submittal, staff identified the potential of using Build America Bonds (BABs), which were created by Congress in 2009 under The American Recovery and Reinvestment Act, for this bond sale. The current program, however, expired on December 31, 2010, and is not available for this upcoming bond sale.

Debt Capacity

Last fall, after audited financial statements were available, Springsted, Inc. evaluated the Fund's debt capacity. The analysis also evaluated individual programs since debt is campus specific. The debt capacity review determined that the Fund had the capacity to carry approximately $350 million in total debt.

Debt Authority

Debt capacity is separate and distinct from debt authority. Debt authority is a legislatively mandated debt ceiling imposed on the Revenue Fund. Minnesota Statutes Chapter §136F.98 sets the debt ceiling limit on the amount of authorized debt the Revenue Fund may have outstanding, and was increased from $200 million to $300 million during the 2010 legislative session. The current outstanding Revenue Fund debt from all past projects is approximately $175 million.

Revenue Fund Bond Cycle

In an effort to improve the planning process for Revenue Fund financed projects, the Office of the Chancellor is implementing the policy of offering revenue fund sales on a two-year cycle. The cycle would commence with the 2011 sale, and occur during the off-year of general obligation bonding project requests. The two-year sale timetable is designed to allow campuses adequate time to develop projects, refine project scopes and financial proforma, and consult with students. The timetable also offers enough time to determine whether a legislative request is required to increase revenue bond debt authority. This cycle would match the approach of the General Obligation bond process, and the statewide student associations have expressed support for this process.

2011 REVENUE FUND BOND PROJECTS

Campuses have proposed approximately $88 million worth of Revenue Fund bond financing for their projects. The bond sale is scheduled for February 2011 pending Board authorization to proceed. All campuses completed predesigns and proformas for their projects, and have submitted student consultation letters. All Project requests are described below. In addition, a portion of taxable bonds will be sold to be used for planning funds for future projects or to supplement financing of projects with a taxable component.

The Revenue Fund can finance up to 100% of project costs, although many campuses choose to contribute funds to reduce the amount of debt carried on a project. The estimated project cost listed below includes all source of funds used to finance the project. The portion of a project financed with revenue bonds will include an additional 11% to account for bond sale costs at closing, known as the cost of issuance. Those issuance costs primarily include a debt service reserve equal to one full year of debt service and the cost of document preparations for regulatory compliance, such as publication of the official statement, professional advisor fees and similar costs.

The draft Series Resolution authorizing the bond sale is presented in **Attachment B**. Student consultation letters have been received in the Office of the Chancellor confirming that student consultation has taken place regarding these projects. Copies of the letters are attached and incorporated in this report as **Attachment C.**

The proposed projects for the 2011 revenue bond sale are as follows:

1. Health/Wellness Center and Field House – Anoka Ramsey Community College (Coon Rapids campus)

CURRENT FACILITIES:	380,590 sq. ft.
NEW CONSTRUCTION:	41,000 sq. ft. new; 15,100 sq. ft. renovated
OCCUPANCY:	By Fall 2012

PROJECT DESCRIPTION: The project designs, constructs, and equips a 41,000 sq. ft. new field house addition and a 15,100 sq. ft. renovation to the existing fitness area and gymnasium on campus. The project will add three new full-size basketball courts, a new walking track and additional locker room space. The project will increase the size of the workout/fitness area from 2,000 to 3,700 sq. ft. There is a $600,000 HEAPR component that will address building heating and ventilation in the renovated space, which is on the campus HEAPR priority list. Additionally, the expansion and renovation will improve efficiency within the Athletic Department, the Health, Physical Education and Recreation Department, and enhance fitness opportunities for the student body. The addition will increase square footage by approximately 11% to 421,590 sq. ft.

FEES: In May 2010, the Board of Trustees approved an increase to student fees of $4.25 per credit (capped at 30 credits) for FY11 that would be dedicated to this project--if the project is approved. The $4.25 per credit fee is projected to increase to $4.75 per credit in FY12 and range from $4.50 – $5.25 for the duration of the debt period.

TOTAL ESTIMATED COST: $9,893,000

SOURCE OF FUNDS: Anoka-Ramsey Community College will finance the majority of the project cost from revenue fund bonds during the 2011 sale. Additional sources of funds are derived from auxiliary revenues, student life and technology fee reserves for construction, fitness and audio visual equipment (such as sound systems). The project aligns with the campus repair and replacement and asset preservation programs. Specifically, the revenue fund project provided an opportunity for the campus to address one of their priority HEAPR projects at the same time, which included upgrading the HVAC and related infrastructure on that side of campus. The college does not intend to seek reimbursement of its design costs from the bonds.

Total Project Estimate	$9,893,000	
Revenue Bonds	$6,000,000	
	$3,893,000	Campus Contribution / Other Funds

Campus Contribution/ Other Funds		
Student Life Reserves		$400,000
HEAPPR unspent (GEN FUND)		$600,000
R&R (GEN FUND)		$1,543,000
Other		
	Auxiliary	$1,200,000
	Technology	$ 150,000
		$3,893,000

The college anticipates restoring its reserves to 15% in FY11 and maintaining this level throughout the construction process. Repair and Replacement investment in the campus will be continue and will readjust to historic levels.

In their student consultation letters, student leadership specifically pledged $400,000 of student life dollars and up to the $150,000 in undesignated technology fees for the Health/Wellness Center design and construction costs. Student leadership also supports the campus plan to contribute approximately $1.2 million from auxiliary services funds.

2. Renovation of Birch Hall – Bemidji State University

CURRENT FACILITIES:	925,844 sq. ft.
RENOVATION	62,130 sq. ft. (205 beds)
OCCUPANCY:	June 2012

PROJECT DESCRIPTION: This project designs, renovates and upgrades a 205 bed, 62,130 sq. ft. residence hall originally constructed in 1952. No new square footage is being added. The update will improve the residence hall's exterior landscaping, demolish and upgrade the interior walls, update finishes and doors, renovate resident rooms with built-in wardrobes, electrical and IT service, renovate the common bathrooms, common student lounges, kitchenettes, laundries, study areas, reception/central desk, residential life spaces, classrooms, offices, and building support areas. This project continues a plan to update obsolete residence hall spaces at the university. The project will provide up-to-date spaces and amenities for students and help support a strong student life program on the university campus. This is very similar to the approach the campus used with Linden Hall, which was renovated in 2008.

FEES: The FY11 residence hall average rate for a double room is $3,946, and $4,482 for a single room. The average residence hall rates are projected to increase approximately 4% per year.

TOTAL ESTIMATED COST: $7,530,000

SOURCE OF FUNDS: Bemidji State used $505,000 of 2009 revenue bond proceeds for their design work on this project, and are contributing $525,000 of operating funds toward the project. Revenue bond proceeds will finance $6,500,000.

3. Construction of Health/Wellness Addition – Minnesota State Community and Technical College – Moorhead

CURRENT FACILITIES: 235,100 sq. ft.
NEW CONSTRUCTION: 5,400 sq. ft.
OCCUPANCY: June 2012

PROJECT DESCRIPTION: This project will add a 5,400 sq. ft. addition to the northwest corner of the existing building. This project was part of the campus's Facilities Master Plan update, and was in response to student support for an on-campus fitness and wellness option. The addition will add an aerobics and fitness area and locker rooms. The addition will increase the total campus square footage by 2% to 240,500 sq. ft.

FEES: In May 2010, the Board of Trustees approved an increase in the Student Life fee of $2.20 per credit (capped at 30 credits) for FY11 that would be dedicated toward this project, if approved. The $2.20 per credit fee is projected to increase to $4.00 per credit in FY13 and is projected to stay at that rate.

TOTAL ESTIMATED COST: $1,457,000

SOURCE OF FUNDS: MSCTC – Moorhead used a portion of the student fee revenues for their design work. The project cost will be funded by the revenue fund bond proceeds.

4. Construction of New Residence Hall – Minnesota State University Mankato

CURRENT FACILITIES: 1,081,000 sq. ft.
NEW CONSTRUCTION: 118,964 sq. ft.
OCCUPANCY: August 2012

PROJECT DESCRIPTION: This project designs, constructs, furnishes, and equips a new 300-bed, 118,964 sq. ft. student residence hall with common student lounges, kitchenettes, laundries, study areas, reception/central desk, residential life spaces, classrooms, offices, and building support areas. Rooms will be a mix of semi-suite double and single units with apartment style bathrooms. This facility continues a plan to replace obsolete residence hall spaces at the university. The project will provide up-to-date spaces and amenities for students and help support a strong student life program on the university campus. This is considered Phase IIA of the university's overall plan to revitalize student life facilities on campus, and is part of an effort to replace 1200 beds that are expected to be lost when the Gage Towers are taken off line and demolished. The demolition of Gage Towers is not expected to be financed through the Revenue Fund. Instead, efforts are underway to seek legislative funding to demolish the towers.

FEES: MSU Mankato offers basic unrenovated double rooms at $4112 per year. The new Julia Sears Residence Hall with the same unit type as the proposed new Residence Hall is currently offering rooms at $5222 per year.

TOTAL ESTIMATED COST: $29,925,000

SOURCE OF FUNDS: The University will be financing $25,000,000 of the project through revenue fund bonds during the 2011 sale. The university funded the predesign from their revenue fund operations, and used a little more than $1,000,000 of unexpended revenue bond proceeds left over from the 2005 sale (as approved by the Board of Trustees in July 2009) to commence design. The University is also committing approximately $3,925,000 of their revenue fund operating reserves toward this project to reduce the amount needed for debt service.

5. Renovation of Student Union Ballroom - Minnesota State University Mankato

CURRENT FACILITIES: 1,081,000 sq. ft.
RENOVATION: 28,865 sq. ft.
OCCUPANCY: August 2011

PROJECT DESCRIPTION: This project involves the design and renovation of approximately 29,000 sq. ft. in the Centennial Student Union Ballroom and immediately surrounding facility. The project scope includes the renovation of the Level 2 ballroom, control room, lobby, back of house serving area, and associated mechanical room; office suites on the north side of the building will receive needed mechanical renovations and asbestos abatement will also occur within the ballroom. A new roof will also be installed as part of this work.

FEES: The FY11 student union rate was unchanged from FY10 at $10.38 per credit hour for a maximum of $249.12 for a full time student. The university does not anticipate significant charges to the student union facility fee as a result of this project.

TOTAL ESTIMATED COST: $4,500,000

SOURCE OF FUNDS: The University is using $2,000,000 of revenue fund operating monies toward this project. The remaining $2,500,000 will be financed through the revenue fund bond.

6. Renovation of Dahl Hall – Minnesota State University, Moorhead

CURRENT FACILITIES: 530,254 sq. ft.
RENOVATION: 54,485 sq. ft. (295 beds)
OCCUPANCY: August 2012

PROJECT DESCRIPTION: This project designs, renovates and upgrades a 295 bed, 54,485 sq. ft. residence hall originally constructed in 1958. No new square footage is being added. The update will improve the residence hall. The work will include upgrades to the interior corridors, update finishes and doors, renovate resident rooms, to upgrade fire, HVAC, and electrical systems, renovate the common bathrooms, common student lounges, kitchenettes, laundries, study areas, reception/central desk, residential life spaces, offices, and building support areas. This facility continues a plan to update obsolete residence hall spaces at the university. The project will provide up-to-date spaces and amenities for students and help support a strong student life program on the university campus. The West Snarr Residence Hall, also included in the predesign with Dahl, is proposed as a 2013 project.

FEES: The FY11 residence hall rate for a double room is $3,986 for unrenovated facilities and $4,544 for renovated facilities. Single rooms are $4,580 for unrenovated; $5,222 for renovated facilities. The average residence hall rates are projected to increase approximately 4%-6% per year.

TOTAL ESTIMATED COST: $8,615,000

SOURCE OF FUNDS: The University will be financing the project cost from revenue fund bonds during the 2011 sale, and will reimburse the design costs from the bonds. The university funded the predesign from their revenue fund operations.

7. Renovation of Residence Halls (N. Shoemaker and Case/Hill) – St. Cloud State University

CURRENT FACILITIES:	1,105,000 sq. ft.
RENOVATION:	33,000 sq. ft. N. Shoemaker and 84,000 sq. ft. in Case/Hill Halls
OCCUPANCY:	August 2012 (2 phases)

PROJECT DESCRIPTION: This is a two phase project to design and renovate North Shoemaker and the Case/Hill residence hall complexes on the St. Cloud State University campus. In phase 1, the university will be designing, renovating and upgrading the 108 bed, 33,000 sq. ft. North Shoemaker residence hall planned for the summer of 2011. The work includes the renovation of student rooms and common spaces, reconfiguring common bathrooms and amenity spaces, upgrades of mechanical, HVAC, and alarm systems, and updates of finishes and lighting throughout the facility, all generally designed to reduce general deferred maintenance issues. Phase two is the renovation and upgrading of the Case/Hill residence halls, a 358 bed, 84,000 sq.ft. residence hall complex. The renovation to Case/Hill will occur during the summer of 2012 with upgrades similar to what is being planned for North Shoemaker.

FEES: The FY11 residence hall average rate for a double room is $3,652 and $5,259 for a single room. The average residence hall rates are projected to increase approximately 5% per year.

TOTAL ESTIMATED COST: $16,675,000

SOURCE OF FUNDS: The University will be financing the majority of the project cost from revenue fund bond proceeds of approximately $16,000,000 with the University providing approximately $675,000 of its revenue fund operating reserves (from the residential life program) toward the project. The North Shoemaker residence hall, as the Phase I work, is farther along with cost estimates, with a project cost of approximately $5,550,000. The Case/Hill renovation will take the remaining balance of the bond proceeds for the project up to $11,175,000. The university currently plans to reimburse a portion of design work from the bond proceeds.

8. Construction of New Parking Ramp – Saint Paul College

CURRENT FACILITIES:	517,612 sq. ft.
NEW CONSTRUCTION:	610 stall ramp (198,250 sq. ft.)
OCCUPANCY:	August 2012

PROJECT DESCRIPTION: This project designs, constructs, and equips a new 610 stall parking ramp on the Saint Paul College campus. This is designed to address a current deficit of approximately 150 parking stalls, and future parking needs. The ramp will add approximately 210 stalls after accounting for the loss of some surface parking where the ramp will be constructed. The ramp will be constructed to accommodate at least two additional levels in the future (approximately 300 stalls).

FEES: Fees will begin at $3.00/day for permit parking and $5.00/day for transient parkers when the project is open for use in 2012. If the ramp performs as expected, the rates will likely remain stable.

TOTAL ESTIMATED COST: $10,429,000

SOURCE OF FUNDS: The college will be financing the construction of the ramp with revenue fund bonds. The college has funded the design and the PARCS (kiosk/lane payment) system out of their own funds.

9. TAXABLE BONDS / PLANNING FUNDS FOR FUTURE PROJECTS

Each bond sale includes a taxable component to offset any projects that may have uses that may impact ordinary tax exempt bond financing. Taxable bond funds are also available for campuses to use for design of future projects. The system's Revenue Fund operations budget pays the debt service on these planning monies until they can be placed at a campus.

TAXABLE AMOUNT: $3,000,000

BOND RATING

Presentations occurred in early December with Moody’s Investor Service and Standard and Poor’s on the proposed sale. The general response was positive. Moody’s remarked during the rating discussion that they had undertaken a general recalibration of all their municipal bond ratings during the past year to align with the way they assess corporate securities. Moody’s expects that the recalibration of its rating scheme will result in a restatement of MnSCU’s Revenue Bond rating from Aa3 to Aa2.

The recalibration is not rating upgrade per se since the Moody’s entire system of ratings is being adjusted. A rating of either Aa3 or Aa2 are both excellent. Considering the financial condition of the Revenue Fund, similar ratings are anticipated for the new sale. As a comparison, the State of Minnesota’s ratings are Moody’s: Aa1, Standard & Poor’s: AAA, and Fitch: AAA. The general obligation state bonds carry the full faith and credit of the State of Minnesota, while the MnSCU Revenue bonds only pledge the revenue generated by the facilities of the Fund.

BOND SALE RESOLUTION

The Board of Trustees is being asked to approve the sale based on the parameters shown in **Attachment A**. The draft Series Resolution authorizing the bond sale is presented in **Attachment B**. Upon Board approval, the financial advisor, Springsted, Incorporated.

will publish notification of sale. The Series Resolution will also be finalized with assistance of bond counsel. Pending final Board approval, the sale has been scheduled to occur in early February.

The blanks in the Series Resolution will be completed based on the results of either a competitive or negotiated sale of the bonds. The interest rates, redemption features, and other details, as well as whether all or any of the bonds are insured, will be determined on the basis of the best (most favorable on a net interest cost basis) bid received from those submitting offers, and will be memorialized in the Series Resolution, the bonds themselves, and in a certificate signed by the MnSCU Chief Financial Officer.

STUDENT CONSULTATION

Student consultation letters have been received in the Office of the Chancellor confirming that student consultation has taken place regarding these projects. Copies of the letters are attached and incorporated in this report as **Attachment C.**

SUMMARY

Eight projects are being proposed for this sale. The sale will total approximately $88 million including $79 million for project costs and $9 million for costs of issuance. Costs of issuance include a full-year debt service reserve deposit, preparation and publication of the official statement, bond counsel, financial advising, and related expenses. The motion is structured for a bond sale not to exceed $90 million in the event further minor adjustments are needed.

RECOMMENDED COMMITTEE ACTION:

The Facilities/Finance Policy Committee recommends the Board of Trustees adopt the following motion:

The Board of Trustees authorizes a Revenue Bond sale for not more than $90,000,000 subject to the sale parameters as presented on **Attachment A.** The Board of Trustees approves the Series Resolution as described in **Attachment B**.

RECOMMENDED BOARD OF TRUSTEES MOTION:

The Board of Trustees authorizes a Revenue Bond sale for not more than $90,000,000 subject to the sale parameters as presented on **Attachment A.** The Board of Trustees approves the Series Resolution as described in **Attachment B**.

Date Presented to the Board: January 19, 2011

ATTACHMENT A

SALE PARAMETERS

Series 2011A (Tax Exempt)

1. Maximum Interest Rate (TIC): up to 5.00%

2. Maximum Principal: $ 86,000,000

3. Maximum Discount: 1.5 % of par or $1.50/$1,000 Bond. Minimum bid of 98.5% is required per the Official Statement

4. Earliest Redemption date: October 1, 2021

Series 2011B (Taxable)

1. Maximum Interest Rate (TIC): up to 5.00%

2. Maximum Principal: $4,000,000

3. Maximum Discount: 1.0 % of par or $10.00/$1,000 Bond. Minimum bid of 99.0% is required per the Official Statement

4. Redemption date: October 1, 2021

In any event, the total principal for Series 2011A and 2011B may not exceed $90,000,000.

ATTACHMENT B

SERIES RESOLUTION

OF

THE BOARD OF TRUSTEES

OF

MINNESOTA STATE COLLEGES AND UNIVERSITIES

RELATING TO

STATE COLLEGE AND
UNIVERSITY REVENUE FUND BONDS
SERIES 2011A and TAXABLE SERIES 2011B

ADOPTED: January 19, 2011

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RESOLUTION

BE IT RESOLVED by the Board of Trustees (the "Board" or the "Issuer") of Minnesota State Colleges and Universities ("MnSCU") as follows:

WITNESSETH

WHEREAS:

1. MnSCU is a public body and agency of the State of Minnesota duly created and existing under Minnesota Statutes, Chapter 136F, as amended (the "Act"), having the rights, powers, privileges and duties provided in the Act, including those set forth in the Master Indenture (defined herein).

2. The Board has previously entered into an Amended and Restated Master Indenture of Trust (the "Master Indenture"), dated as of June 1, 2009, with U.S. Bank National Association (the "Trustee"), pursuant to which the Board and the Trustee agreed to the terms and conditions governing the Revenue Fund Bonds issued by MnSCU pursuant to the Master Indenture.

3. All terms capitalized but not otherwise defined herein have the meanings assigned to those terms in the Master Indenture.

4. The Board has determined that the capital expenditure needs of the Facilities make it necessary and desirable for MnSCU to issue its State College and University Revenue Fund Bonds in an original principal amount up to $90,000,000 (the "2011 Bonds" or the "Bonds") consisting of its State College and University Revenue Fund Bonds, Series 2011A (the "2011A Bonds") and its State College and University Revenue Fund Bonds, Taxable Series 2011B (the "2011B Bonds"), and to use the proceeds of the 2011 Bonds to fund capital costs incurred in connection with the Facilities and the Debt Service Reserve Account, and to pay certain costs of issuing the 2011 Bonds and interest on a portion of the 2011 Bonds for an initial period.

5. The colleges and universities which are anticipated to use proceeds of the Bonds for their Facilities have advised the Board that they need to begin work on planning and other activities related to such Facilities prior to the issuance of the Bonds, in order to complete the Facilities in a timely manner, and expect to incur expenditures for this purpose prior to the issuance of the 2011 Bonds which they will seek to have reimbursed from the proceeds of the 2011 Bonds.

6. The Board intends to use a portion of the proceeds of the 2011 Bonds to reimburse the colleges and universities for eligible costs incurred in connection with the financed Facilities.

7. The execution and delivery of this Series Resolution and the issuance of the 2011 Bonds have been in all respects duly and validly authorized by the Issuer.

8. All things necessary to make the 2011 Bonds, when authenticated by the Trustee and issued and secured as provided in the Master Indenture and this Series Resolution, valid, binding and legal limited obligations of the Issuer according to the import thereof, have been done and performed; and the creation, execution and delivery of this Series Resolution, and the creation, execution and issuance of said 2011 Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THIS SERIES RESOLUTION WITNESSETH:

The Issuer, in consideration of the premises and the purchase and acceptance of the 2011 Bonds by the Holders thereof, in order to secure the payment of the principal of, interest on, and premium, if any, on the 2011 Bonds according to their tenor and effect, does hereby grant a security interest in and assign to the Holders of the 2011 Bonds and all Revenue Fund Bonds (other than Subordinate Bonds) issued pursuant to the Master Indenture and any Series Resolution (including this Series Resolution), and to the beneficiaries of any Senior Guarantees, regardless of when such Senior Bonds or Senior Guarantees were or are issued, on an equal and parity basis, except as expressly stated below, the following:

FIRST

The "Net Revenues" as defined in the Master Indenture as heretofore amended and as amended by this Series Resolution;

SECOND

All proceeds, earnings and investment income derived from the foregoing (except Rebate Amounts); and

PROVIDED that:

First, the foregoing equal and ratable parity pledge shall not extend to Subordinate Bonds which shall be secured solely by moneys held in the Surplus Fund as provided in the Master Indenture and therein; and

Second, the proceeds of any Credit Enhancement Instrument issued to secure a particular Series of Revenue Fund Bonds shall benefit only that Series of Revenue Fund Bonds and the proceeds of such Credit Enhancement Instrument shall not be applied for the benefit of or payment of any other series of Revenue Fund Bonds; and

Third, moneys applied to the payment of Revenue Fund Bonds and Senior Guarantees shall be withdrawn from the funds and accounts created by the Master Indenture in strict order of the priority set forth therein.

SUCH PLEDGE having been made, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all Holders from time to time of the Revenue Fund Bonds, and all Senior Bonds and Senior Guarantees heretofore issued and to be issued under and secured by the Master Indenture and this Series Resolution and other Series Resolutions (but excluding Subordinate Bonds) without privilege, priority or distinction as to lien or otherwise of any of such bonds or guarantees over any of the others except as otherwise provided therein and herein.

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or provide fully for payment as herein provided of the principal of the 2011 Bonds and the interest due or to become due thereon (together with premium, if any), at the time and in the manner set forth in the 2011 Bonds according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Master Indenture and this Series Resolution to be kept, performed and observed by it, and shall pay to the Registrar and Paying Agent all sums of money due or to become due in accordance with the terms and provisions of the Master Indenture and this Series Resolution as from time to time supplemented, then this Series Resolution and the rights hereby granted shall cease, terminate and be void except as otherwise provided herein; otherwise, the Master Indenture and this Series Resolution shall be and remain in full force and effect.

UNDER THE PROVISIONS OF THE ACT and the Series Resolution, the 2011 Bonds may not be payable from or be a charge upon any funds of the Issuer or the State other than the revenues pledged to the payment thereof nor shall the Issuer or State be subject to any pecuniary liability thereon except from moneys expressly pledged, and no Holder or Holders of the 2011 Bonds shall ever have the right to compel any exercise of the taxing power of the Issuer or the State to pay any Revenue Fund Bond or the interest and premium, if any, thereon, or to enforce payment thereof against any property of the Issuer or the State, except as above provided; the 2011 Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer, except as above provided; but nothing in the Act impairs the rights of Holders of 2011 Bonds issued under the Master Indenture and this Series Resolution and any other Series Resolutions and the beneficiaries of Senior Guarantees to enforce the covenants made for the security thereof, to the extent specifically provided herein, for the equal and proportionate benefit of all Holders of the 2011 Bonds, all other Revenue Fund Bonds, and the beneficiaries of Senior Guarantees, as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions. All terms capitalized but not otherwise defined in this Series Resolution shall have the meanings assigned to such terms in the Master Indenture. In this Series Resolution the following terms have the following respective meanings unless the context hereof clearly requires otherwise.

Authorized Denomination means $5,000, or any integral multiple thereof.

Closing Certificate means the certificate of the Issuer executed by an Authorized Representative reflecting the final principal amounts, maturity dates, interest rates, and sinking fund redemption dates of the Bonds, established by the Original Purchaser in the winning bid or bids for the Bonds accepted by the Issuer, as well as the allocation of Bond proceeds among the various funds and accounts.

Interest Payment Date means, with regard to the 2011 Bonds, each April 1 and October 1, commencing October 1, 2012.

Master Indenture means the Amended and Restated Master Indenture of Trust dated as of June 1, 2009, relating to MnSCU's State College and University Revenue Fund Bonds, as amended from time to time.

Maturity Date means any date on which principal of or interest or premium, if any, on the 2011 Bonds is due, whether at maturity, on a scheduled Interest Payment Date, or upon redemption or acceleration, or otherwise.

MnSCU or the Issuer means Minnesota State Colleges and Universities, or any successor to its functions.

Original Purchaser means the original purchaser(s) of the 2011 Bonds, as determined after the acceptance of the bids, as identified in the Closing Certificate.

Prior Bonds means all bonds issued or secured under the Master Indenture prior to the issuance of the 2011 Bonds.

Rating Agency means Moody's Investors Service, Inc. or Standard & Poor's Ratings Group or Fitch's, Inc. or any other nationally recognized credit rating agency which has been solicited to issue a rating on, and has issued a rating on, the 2011 Bonds; and with respect to the credit rating (claims payment ability rating) of an insurance company, A.M. Best & Company or any other nationally recognized credit rating agency rating the claims payment ability of insurance companies.

Registrar and Paying Agent means U.S. Bank National Association, whose principal corporate trust office is located in Saint Paul, Minnesota.

Revenue Fund Bonds means, collectively, the Prior Bonds and the 2011 Bonds.

Series Resolution means this Series Resolution adopted on January 19, 2011 by the Minnesota State Colleges and Universities Board of Trustees.

Term Bonds means the 2011 Bonds identified as such pursuant to Section 2.3A(A)(2), 2.3B(A)(2), and the Closing Certificate.

2011 Bonds or Bonds means the Minnesota State Colleges and Universities, College and University Revenue Fund Bonds dated as of the date of delivery and issued in the original principal amount of up to $90,000,000, consisting of the 2011A Bonds and the 2011B Bonds issued pursuant to this Series Resolution.

2011A Bonds means the Minnesota State Colleges and Universities, College and University Revenue Fund Bonds, Series 2011A dated as of the date of delivery and expected to be issued in the original principal amount of approximately $86,000,000 pursuant to this Series Resolution.

2011B Bonds means the Minnesota State Colleges and Universities, College and University Revenue Fund Bonds, Taxable Series 2011B, dated as of date of delivery and expected to be issued in an original principal amount of approximately $4,000,000 pursuant to this Series Resolution.

Trustee means U.S. Bank National Association, its successors and assigns.

Section 1.2 Effect of this Series Resolution.

(a) Except as expressly supplemented or amended by this Series Resolution, all of the terms and provisions of the Master Indenture, as heretofore amended, shall apply to the 2011 Bonds.

(b) To the extent of any inconsistency between the terms and provisions of this Series Resolution and the terms and provisions of the Master Indenture, this Series Resolution shall control. Except as provided in the preceding sentence, the terms and provisions of this Series Resolution shall be construed with the terms and provisions of the Master Indenture so as to give the maximum effect to both.

(c) This Series Resolution shall take effect on the date of issue of the 2011 Bonds.

(d) The Rules of Interpretation stated in Section 2.02 of the Master Indenture shall apply to this Series Resolution.

Section 1.3 Exhibits. The following Exhibits are attached to and by reference made a part of this Series Resolution:

(1) Exhibit A-1: form of 2011A Bond;
(2) Exhibit A-2: form of 2011B Bond;
(3) Exhibit B: form of Annual Disclosure Report;
(4) Exhibit C: DTC Letter.

ARTICLE 2

THE 2011 Bonds

PART A – THE 2011A BONDS

Section 2.1A <u>The 2011A Bonds</u>.

(A) The 2011A Bonds shall be issued as:

(1) Tax-Exempt Bonds or, if it is determined by Vice Chancellor-Chief Financial Officer that it is more beneficial, as Taxable Build America Bonds–Direct Pay;

(2) Book-Entry Form Bonds; and

(3) as Revenue Fund Bonds bearing interest at a fixed rate of interest.

The 2011A Bonds are expected to be issued in the approximate principal amount of $86,000,000, with the actual principal amount issued to be identified in the Closing Certificate relating to the 2011A Bonds. The total principal amount of 2011A Bonds which may be Outstanding hereunder is expressly limited to the amount identified in the Closing Certificate relating to the 2011A Bonds unless duplicate 2011A Bonds are issued as provided in Section 3.07 of the Master Indenture. The 2011A Bonds shall be issued in Authorized Denominations and in substantially the form of Exhibit A-1 hereto, with such variations, additions or deletions as may be appropriate to conform the terms of such 2011A Bonds to the terms of this Article 2. The Vice Chancellor-Chief Financial officer is hereby authorized to provide for the sale of the 2011A Bonds by competitive sale, and to complete the Closing Certificate for the 2011A Bonds to establish their specific terms on the basis of the highest and best bid meeting the criteria established herein and in the Master Indenture. The maximum discount at which the Original Purchaser may purchase the 2011A Bonds is 1.5% of par.

(B) Upon issuance, the net proceeds of the 2011A Bonds (the original principal amount thereof, plus any premium or less any discount allowed to the Original Purchaser) shall be deposited by the Board into such accounts as shall be determined by the Issuer in the Closing Certificate. A portion of the amount deposited in the Capital Expenditures Account, in the amount stated in said Closing Certificate, shall be applied to pay the costs of issuing the 2011A Bonds.

Section 2.2A The 2011A Bonds - Initial Issue. The 2011A Bonds shall be initially issued in the aggregate principal amount set forth in the Closing Certificate relating to the 2011A Bonds and shall:

(1) be initially dated as of the date of delivery, and thereafter be dated the date of their registration as provided in Section 3.04 of the Master Indenture;

(2) be issued in Book-Entry Form and delivered by the Original Purchaser to the Depository as set forth in Section 3.11 of the Master Indenture;

(3) mature on October 1 in the years and amounts set forth in the Closing Certificate, subject to prior redemption as provided in the Closing Certificate;

(4) (a) Interest shall accrue on the 2011A Bonds from the date of issuance until the principal amount is paid or payment is duly provided for in accordance with this Series Resolution, and shall be payable on each Interest Payment Date. Interest accrued on any 2011A Bond or portion thereof redeemed pursuant to Sections 2.3A(A) and 2.4 shall also be payable on the Redemption Date as to 2011A Bonds called for redemption.

(b) the 2011A Bonds shall mature on October 1 in the years and in the amounts, and bear interest at the rate or rates, set forth in the Closing Certificate. Interest payable shall be computed at the rates set forth below based on a 360-day year of twelve, 30-day months, for the actual number of complete months, and of days less than a complete month, and shall not exceed a true interest cost of 5%, or the mathematical equivalent after taking into account any federal credit if the Bonds are issued as Taxable Build America Bonds.

(5) be payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts, at the principal trust office of the Trustee, or a duly appointed successor Trustee, except that interest on the 2011A Bonds will be payable by check or draft mailed by the Trustee to the Holders of such 2011A Bonds on the applicable Regular Record Date (the "Record Date Holders") at the last addresses thereof as shown in the Bond Register on the applicable Regular Record Date, provided that interest shall be paid to a Holder of $1,000,000 or more of the principal amount of the 2011A Bonds outstanding by electronic funds transfer if such Holder so requests in writing in a form acceptable to the Paying Agent and principal of and any premium on any 2011A Bonds shall be payable at the principal office of the Trustee; and

(6) be subject to redemption upon the terms and conditions and at the prices specified in Sections 2.3A(A) and 2.4 hereof.

(7) In the event that the Vice Chancellor-Chief Financial Officer determines that the 2011A Bonds should be issued as Taxable Build America Bonds-Direct Pay, this determination shall constitute the irrevocable election of the Board to have Section

54AA(g) of the Code apply to the 2011A Bonds, with the result that the Issuer shall be entitled to the credit provided in Section 6431 of the Code.

Notwithstanding the foregoing, if the date for payment of the principal of, premium, if any, or interest on, of any 2011A Bond shall be a day which is not a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such later date shall have the same force and effect as if made on the nominal date of payment.

The 2011A Bonds shall be delivered by the Trustee to the Original Purchaser thereof upon receipt by the Trustee and/or Issuer of the items listed in Section 3.08 of the Master Indenture, and satisfaction by the Issuer of the conditions stated in Section 3.09 of the Master Indenture.

Section 2.3A <u>The 2011A Bonds - Redemption</u>.

(A) Pursuant to the provisions of Section 3.12 of the Master Indenture and 2.4 hereof, the 2011A Bonds are subject to redemption prior to maturity as follows:

(1) *Damage or Destruction or Condemnation*. In the event of damage to or destruction of any Facility, in whole or part, the 2011A Bonds are subject to redemption in whole or in part at the principal amount thereof plus accrued interest to the date of redemption, without premium, on the first day of any month for which timely notice of redemption can be given, whether or not an Interest Payment Date, from the proceeds of any insurance claim payment or condemnation award or portion thereof not applied to repair, restore or replace the damaged or taken Facility.

(2) *Scheduled Mandatory Redemption*. The 2011A Bonds are subject to mandatory redemption prior to maturity by mandatory sinking fund installments in the amounts and on the dates reflected in the Closing Certificate.

(3) *Optional Redemption*. The 2011A Bonds maturing on or after October 1, 2022 are subject to optional redemption and prepayment upon direction by the Issuer to the Trustee in whole on any date on or after October 1, 2021 and in part, on any Interest Payment Date thereafter, in Authorized Denominations, at a redemption price equal to the principal amount redeemed plus accrued interest to the date of redemption, without premium.

(4) *Excess Proceeds Redemption*. If, upon the earlier of either (i) the completion of the work planned to be financed by the proceeds of the 2011A Bonds, or (ii) three years from the date of issuance of the 2011A Bonds, proceeds of the 2011A Bonds remain in the related subaccount in the Capital Expenditures Account in excess of those required to pay then unpaid but incurred capital expenditures, such excess shall be transferred to the Escrow Account and applied to the redemption of the 2011A Bonds, to the extent of the funds so transferred, at their principal amount, plus interest accrued to the redemption date, without premium, on the first day of the next succeeding month for which timely

notice of redemption can be given; provided, however, that the three-year limit contained in clause (ii) shall not apply if the Issuer obtains an opinion of bond counsel stating that the delay in the expenditure of proceeds will not cause the 2011A Bonds to lose their tax-exempt status.

(B) No Other Redemption Prior to Maturity. Except as provided in Section 2.3A(A) herein, the Series 2011A Bonds shall not be subject to redemption prior to their stated maturity date.

PART B – THE 2011B BONDS

Section 2.1B The 2011B Bonds.

(A) The 2011B Bonds shall be issued as:

(1) Taxable Bonds;

(2) Book-Entry Form Bonds; and

(3) as Bonds bearing interest at a fixed rate of interest.

The 2011B Bonds are expected to be issued in the approximate principal amount of $4,000,000, with the actual principal amount issued to be identified in the Closing Certificate relating to the 2011B Bonds. The total principal amount of 2011B Bonds which may be Outstanding hereunder is expressly limited to the amount identified in the Closing Certificate relating to the 2011B Bonds unless duplicate 2011B Bonds are issued as provided in Section 3.07 of the Master Indenture. The 2011B Bonds shall be issued in Authorized Denominations and in substantially the form of Exhibit A-2 hereto, with such variations, additions or deletions as may be appropriate to conform the terms of such 2011B Bonds to the terms of this Article 2. The Vice Chancellor-Chief Financial officer is hereby authorized to provide for the sale of the 2011B Bonds by competitive sale, and to complete the Closing Certificate for the 2011B Bonds to establish their specific terms on the basis of the highest and best bid meeting the criteria established herein and in the Master Indenture. The maximum discount at which the Original Purchaser may purchase the 2011B Bonds is 1.0% of par.

(B) Upon issuance, the net proceeds of the 2011B Bonds (the original principal amount thereof, plus any premium or less any discount allowed to the Original Purchaser) shall be deposited by the Board into such accounts as shall be determined by the Issuer in the Closing Certificate. A portion of the amount deposited in the Capital Expenditures Account, in the amount stated in said Closing Certificate, shall be applied to pay the costs of issuing the 2011B Bonds.

Section 2.2B The 2011B Bonds - Initial Issue. The 2011B Bonds shall be initially issued in the aggregate principal amount set forth in the Closing Certificate relating to the 2011 Bonds and shall:

(1) be initially dated as of the date of delivery, and thereafter be dated the date of their registration as provided in Section 3.04 of the Master Indenture;

(2) be issued in Book-Entry Form and delivered by the Original Purchaser to the Depository as set forth in Section 3.11 of the Master Indenture;

(3) mature on October 1 in the years and amounts set forth in the Closing Certificate, subject to prior redemption as provided in the Closing Certificate;

(4) (a) Interest shall accrue on the 2011B Bonds from the date of issuance until the principal amount is paid or payment is duly provided for in accordance with this Series Resolution, and shall be payable on each Interest Payment Date. Interest accrued on any 2011B Bond or portion thereof redeemed pursuant to Sections 2.3B(A) and 2.4 shall also be payable on the Redemption Date as to 2011B Bonds called for redemption.

(b) the 2011B Bonds shall mature on October 1 in the years and in the amounts, and bear interest at the rate or rates, set forth in the Closing Certificate. Interest payable shall be computed at the rates set forth below based on a 360-day year of twelve, 30-day months, for the actual number of complete months, and of days less than a complete month and shall not exceed a true interest cost of 5%.

(5) be payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts, at the principal trust office of the Trustee, or a duly appointed successor Trustee, except that interest on the 2011B Bonds will be payable by check or draft mailed by the Trustee to the Holders of such 2011B Bonds on the applicable Regular Record Date (the "Record Date Holders") at the last addresses thereof as shown in the Bond Register on the applicable Regular Record Date, provided that interest shall be paid to a Holder of $1,000,000 or more of the principal amount of the 2011B Bonds outstanding by electronic funds transfer if such Holder so requests in writing in a form acceptable to the Paying Agent and principal of and any premium on any Revenue Fund Bonds shall be payable at the principal office of the Trustee; and

(6) be subject to redemption upon the terms and conditions and at the prices specified in Sections 2.3B(A) and 2.4 hereof.

Notwithstanding the foregoing, if the date for payment of the principal of, premium, if any, or interest on, of any 2011B Bond shall be a day which is not a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such later date shall have the same force and effect as if made on the nominal date of payment.

The 2011B Bonds shall be delivered by the Registrar and Paying Agent to the Original Purchaser thereof upon receipt by the Registrar and Paying Agent and/or Issuer of the items listed in Section 3.08 of the Master Indenture, and satisfaction by the Issuer of the conditions stated in Section 3.09 of the Master Indenture.

Section 2.3B The 2011B Bonds - Redemption. The 2011B Bonds are not subject to redemption prior to their stated maturity date.

Section 2.4 Method of Redemption.

(1) To effect the redemption of the 2011 Bonds under Section 2.3A(A) (1), (3) or (4), the Issuer, at least 40 days before the redemption date, shall notify the Trustee of its intention to effect such redemption. The funds required for such redemptions shall be provided to the Trustee at least three business days before the redemption date.

(2) The Trustee, on or before the thirtieth day preceding any specified redemption date, shall select the 2011 Bonds (and the Revenue Fund Bonds within each Series) to be redeemed by lot. The Trustee shall make the selection in such manner as the Trustee determines to be fair and appropriate, which may include random selection by lot. If and to the extent 2011 Bonds are redeemed in part pursuant to Section 2.3A(A)(1), (3) or (4), the amounts shown on the tables in those Sections and the serial maturities of the applicable series of 2011 Bonds shall be reduced as the Issuer shall direct in its notice to the Trustee.

(3) The Trustee shall give notice of redemption of 2011 Bonds mailed not less than 30 days prior to the redemption date by mailing a written notice of redemption, first class mail, postage prepaid, to the Holders of the 2011 Bonds to be redeemed at the addresses for such Holders shown on the books of the Registrar, and by sending such notice by electronic mail to the Holders of 2011 Bonds for whom the Registrar has an electronic mail address, and by sending a notice of such redemption to each Depository in the same manner as an “event notice” under Section 4.5(B)(2) hereof.

(4) To effect the partial redemption of 2011 Bonds under Section 2.3A(A) after receipt by the Trustee of notice from the Issuer, as provided herein, the Trustee, prior to giving notice of redemption, shall assign to each 2011 Bond of the applicable Series then Outstanding a distinctive number for each Authorized Denomination of the principal amount of such 2011 Bond. The Trustee shall then, using such method of selection as it shall deem proper in its discretion but consistent with subsection (2), from the numbers so assigned to such 2011 Bonds, select as many numbers as, at the Authorized Denomination for each number, shall equal the principal amount of such 2011 Bonds to be redeemed. The 2011 Bonds to be redeemed shall be the 2011 Bonds to which were assigned numbers so selected; provided that if, as a result of partial redemption there is a 2011 Bond outstanding in a principal amount less than the Authorized Denomination, such 2011 Bond shall be redeemed first at the next succeeding redemption date and the Trustee shall provide a written notice to that effect to the affected Holder and the Original Purchaser.

(5) As soon as 2011 Bonds are called for redemption pursuant to this Section 2.4, sums in the Escrow Account in the Revenue Fund sufficient to effect such redemption shall be irrevocably set aside for such purpose and applied for no other purpose under this Series Resolution.

ARTICLE 3

ADDITIONAL PROVISIONS RELATING TO THE 2011 Bonds

Section 3.1 Revenue Fund Accounts.

(A) 2011B Revenue Receipts Subaccount. There is hereby created within the Revenue Receipts Account a subaccount titled the 2011B Revenue Receipts Subaccount. All "private payments" (within the meaning of Section 141 of the Code) derived from Facilities financed by the 2011B Bonds shall be deposited therein and applied as provided in Paragraph (B) of this Section and Section 4.03 of the Master Indenture. No such "private payments" shall be initially deposited in any other Fund or Account. Any excess funds held therein as of each March 2 shall be transferred to the Surplus Account.

(B) 2011 Debt Service Subaccounts. The Trustee is hereby directed to create a 2011 Debt Service Subaccount pursuant to the Master Indenture. Net Revenues held in the 2011 Revenue Receipts Account shall be transferred by MnSCU on each March 1 and September 1 to the Trustee for deposit to the 2011 Debt Service Subaccount, and there applied prior to the use of any other funds, to pay principal of, interest on and redemption price of 2011 Bonds.

Section 3.2 Capital Expenditure Account. The Trustee is hereby directed to create a Capital Expenditure Account for the 2011 Bonds pursuant to the Master Indenture, and to deposit proceeds of the 2011 Bonds therein as described in Sections 2.1A and 2.1B hereof. Proceeds of the 2011 Bonds may be used to reimburse the colleges and universities which are using proceeds of the Bonds for costs incurred in connection with their respective financed Facilities as directed by the Issuer.

Section 3.3 Notices to Rating Agency.

Annually, at or about the time that the Issuer provides its Annual Disclosure Report pursuant to Section 4.5 hereof, the Issuer shall provide the same information to each national credit rating agency then maintaining a rating in effect for the 2011 Bonds. In addition, the Issuer shall provide to such rating agencies such other information relating to the 2011 Bonds, all other Revenue Fund Bonds issued under the Master Indenture, and the Revenue Fund, as they may reasonably request.

ARTICLE 4

SERIES COVENANTS

Section 4.1 Payment of Principal, Purchase Price, Premium and Interest. Solely from the Net Revenues and sums held in the Accounts in the Revenue Fund, the Issuer will duly and punctually pay the principal of, premium, if any, and interest on the 2011 Bonds in accordance with the terms of the 2011 Bonds, the Master Indenture and this Series Resolution. Nothing in the 2011 Bonds or in this Series Resolution shall be considered as assigning or pledging funds or assets of the Issuer other than those expressly pledged to secure the 2011 Bonds (and other Senior Bonds and Senior Guarantees) set forth in the Master Indenture, as supplemented by this Series Resolution.

Section 4.2 Performance of and Authority for Covenants. The Issuer covenants that it will faithfully perform at all times any and all of its covenants, undertakings, stipulations and provisions contained in the Master Indenture and this Series Resolution, in any and every 2011 Bond executed, authenticated and delivered hereunder and in all proceedings of the Board pertaining thereto; that it is duly authorized under the Constitution and laws of the State of Minnesota, including particularly and without limitation the Act, to issue the 2011 Bonds authorized hereby, to adopt this Series Resolution, to apply the 2011 Bond proceeds to make capital expenditures for the Facilities and to pledge the Net Revenues and moneys held in the Revenue Fund and its Accounts equally and ratably to secure the 2011 Bonds (and other Senior Bonds and any Senior Guarantees), in the manner and to the extent set forth in the Master Indenture and herein; that all action on its part for the issuance of the 2011 Bonds and the execution and delivery of this Series Resolution has been duly and effectively taken; and that the 2011 Bonds in the hands of the Holders thereof are and will be valid and enforceable obligations of the Issuer according to the terms thereof.

Section 4.3 Books and Records. The Registrar and Paying Agent will, so long as any Outstanding 2011 Bonds issued hereunder shall be unpaid, keep proper books or records and accounts, in which full, true and correct entries will be made of all its financial dealings or transactions in relation to the 2011 Bonds. At reasonable times and under reasonable regulations established by the Registrar and Paying Agent, such books shall be open to the inspection of the Original Purchaser, the Holders and such accountants or other agencies as the Registrar and Paying Agent may from time to time designate.

Section 4.4 Bondholders' Access to Bond Register. At reasonable times and under reasonable regulations established by the Registrar and Paying Agent, the Bond Register or a copy thereof may be inspected and copied by Holders (or a designated representative thereof) of twenty-five percent (25%) or more in principal amount of the then Outstanding 2011 Bonds, such authority of any such designated representative to be evidenced to the satisfaction of the Registrar and Paying Agent. Except as otherwise may be provided by law, the Bond Register shall not be deemed a public record and shall not be made available for inspection by the public, unless and until notice to the contrary is given to the Registrar and Paying Agent by the Issuer.

Section 4.5 Continuing Disclosure.

(A) Purpose; Definitions. Disclosure of information about the 2011 Bonds shall be made as provided in this Section. This Section is intended for the benefit of the Holders of the 2011 Bonds.

For the purposes of this Section, the following terms shall have the following meanings:

(1) *Rule* means Securities and Exchange Commission Rule 15c2-12, as from time to time amended;

(2) *Revenue Fund Bonds* means the Prior Bonds and the 2011 Bonds; 2011_Bonds means the 2011 Bonds issued pursuant to this Series Resolution;

(3) *Obligated Person* means:

(a) the Issuer; and

(b) any person who provides 10% or more of the Net Revenues securing the Revenue Fund Bonds (but an Institution shall not be deemed a person independent of the Issuer);

provided that "obligated person" shall not mean a Credit Enhancer;

(4) *MSRB* means the Municipal Securities Rulemaking Board; and

(B) Periodic and Occurrence Notices. Except to the extent this subsection (B) is modified or otherwise altered in accordance with subsection (F) below, the Registrar and Paying Agent or Financial Advisor on behalf of the Issuer shall make or cause to be made public, but solely as provided in subsection (D) below, the information set forth in subsections (1), (2) and (3) below:

(1) Periodic Reports.

(a) the annual audited financial statements for the Revenue Fund of the Issuer; and

(b) annual financial information as to each Obligated Person (subject to subsection (E)(1) below); and

(c) an Annual Disclosure Report in substantially the form of Exhibit B hereto disclosing financial and operating data of the type disclosed in the Official Statement relating to the 2011 Bonds; provided that the form of Annual Disclosure Report shall be amended or changed each year so as to fairly and accurately present financial and operating data required to be disclosed under the Rule.

(2) Occurrence Notices. The Issuer shall give, or shall cause to be given notice of the occurrence of any of the following events within a timely manner, not in excess of ten business days, after the occurrence of the event, and in accordance with the Rule, by filing such notice with the MSRB, in an electronic format prescribed by the MSRB:

(a) principal and interest payment delinquencies;
(b) non-payment related defaults, if material;
(c) unscheduled draws on debt service reserves reflecting financial difficulties;
(d) unscheduled draws on credit enhancements reflecting financial difficulties;
(e) substitution of credit or liquidity providers, or their failure to perform;
(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Senior Bonds, or other material events affecting the tax-exempt status of the Senior Bonds;
(g) modifications to rights of Bondholders, if material;
(h) Bond calls, if material, and tender offers;
(i) defeasances;
(j) release, substitution or sale of property securing repayment of the Senior Bonds, if material;
(k) rating changes;
(l) bankruptcy, insolvency, receivership or similar event of either the Borrower or the Guarantor;
(m) consummation of a merger, consolidation, or acquisition involving the Borrower or the Guarantor, the or sale of all or substantially all of the assets of the Borrower or the Guarantor, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
(n) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(3) Notice of Failure to Provide Information. In the event the information described in (1) or (2) above is not made public as required by this Section, such failure shall itself be made public by a notice filed with the Repositories and the MSRB.

(C) Information Provided to the Public.

(1) The Registrar and Paying Agent on behalf of the Issuer shall make public every communication which the Registrar and Paying Agent is required to make (or is permitted to make and in fact makes) to Holders, in each case in accordance with subsection (D) and on the same day such communication is transmitted to Holders hereunder.

(2) The Registrar and Paying Agent on behalf of the Issuer shall make public in accordance with subsection (D) and within the time frame set forth in subsection (3) below, the following, but only to the extent information is actually known by the Issuer or Registrar and Paying Agent or is within the possession, custody or control of the Issuer or Registrar and Paying Agent:

(a) all information which the Registrar and Paying Agent on behalf of the Issuer has agreed to make public under subsections (1), (2) and (3) of subsection (B); and

(b) such other information which the Issuer shall in writing request to be made public, so long as such information is permitted by law to be made public.

(3) (a) The Registrar and Paying Agent on behalf of the Issuer shall make public the periodic information described in subsection (B)(1), within 30 days after receipt by the Registrar and Paying Agent of each annual audited financial statement of the Issuer.

(b) The Registrar and Paying Agent shall, within three business days of obtaining actual knowledge of the occurrence of any of the events described in subsection (B)(2) contact the Issuer, in form the Issuer of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not the event is required to be reported. If the Registrar and Paying Agent has been instructed by the Issuer to report the occurrence, the Registrar and Paying Agent shall file a notice of such occurrence with the MSRB with a copy to the Issuer. Notwithstanding the foregoing, notice of an event described in subsection (B)(2)(d) and (e) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Holders of affected Bonds pursuant to the Master Indenture.

(D) <u>Means of Making Information Public</u>. Information shall be made public by the Registrar and Paying Agent on behalf of the Issuer under this Section if it is transmitted as follows:

(1) all information to be made public under this Section 4.5 shall be provided to each Repository, by electronic transmittal or by such other means as the applicable Repository shall require;

(2) if and when the State of Minnesota establishes a SID, all information to be made public under this Section 4.5 shall be provided to the SID in accordance with its rules and procedures;

(3) notices required by subsections (B)(2) and (3) shall be provided to the MSRB in accordance with its rules and procedures;

(4) all information made public under this Section 4.5 shall be provided to the Original Purchaser, by mailing, physical delivery or electronic transmittal at the same time as information is provided to the Repositories; and

(5) to Holders, in the manner provided herein for notices to Holders.

(E) <u>Obligated Persons; Financial Information</u>.

(1) In making public information about Obligated Persons which file financial information with the SEC, the Repositories or a SID, the Issuer may, for each Obligated Person that has complied or will comply with the next sentence, disclose financial information about such Obligated Person by cross-reference to information on file with, and publicly available from, the SEC, the Repositories or a SID. The Issuer shall cause each such Obligated Person to provide an annual notice stating (a) where its annual reports have been filed, and (b) that the annual reports so filed constitute its annual financial information as an Obligated Person hereunder. Annually the Issuer shall provide to each such Obligated Person a form of such notice and shall direct that such notice be executed by the Obligated Person and returned to the Issuer. In the event such Obligated Person fails or refuses to provide the executed notice, the Issuer shall provide to the Registrar and Paying Agent a notice stating (a) the identity of such Obligated Person and the fact that such Obligated Person has failed and refused to provide the annual notice required by this subsection, and (b) if known to the Issuer, the place where annual financial information about such Obligated Person may be found. The Issuer shall then provide all such notices to the Registrar and Paying Agent concurrently with delivery of the Issuer's annual financial statements and shall direct the Registrar and Paying Agent to forward such notices to each Repository and the Minnesota SID, if any.

(2) In determining whether a specific person is an "Obligated Person," the Institution shall

(a) aggregate all contracts executed by such person;

(b) aggregate all buildings or structures, or portions thereof, owned, leased or operated by such person; and

(c) aggregate all entities under common control or ownership.

(3) The Issuer shall determine who are Obligated Persons for each fiscal year and disclose in the Annual Disclosure Report the identity(ies) of each such Obligated Person; the disclosure relating to the identity of Obligated Persons in each Annual Disclosure Report shall be for the same fiscal year as that covered by the audited financial statement of the Issuer made public concurrently with the Annual Disclosure Report.

(4) Financial information about the Issuer, and about each Obligated Person, shall be prepared in accordance with, as applicable, generally accepted accounting principles, accounting principles applicable to state and local governments and agencies, or for persons whose equity or debt securities are registered with the State, the accounting principles then in effect governing filings of financial information with the SEC. Financial information about Obligated Persons which are public entities shall be prepared in accordance with Financial Accounting Standards Board principles as modified by

Government Accounting Standards Board principles and by the accounting principles then applied by the Minnesota State Auditor, if applicable.

(F) Amendment of this Section. This Section shall be subject to modification or amendment as provided in Article 9.03 of the Master Indenture. In addition to the requirements and limitations of Article 9.03 of the Master Indenture, no modification or amendment of this Section shall be made unless:

(1) the amendment or modification is made in connection with a change of circumstance arising from a change of legal requirements, change in law, or change in the identity, nature or status of the Obligated Person(s); and

(2) this Section, as amended or modified, would have complied with the Rule on the date of issue of the 2011 Bonds, taking into account any subsequent amendments or interpretations of the Rule and any change of circumstances.

The Registrar and Paying Agent and the Issuer may rely in good faith upon an opinion of counsel familiar with the law governing disclosure in connection with municipal securities as to compliance with the requirements of this Section and of the Rule.

Section 4.6 Resignation or Removal of Registrar and Paying Agent. Notwithstanding anything to the contrary contained herein or in the Master Indenture, the Registrar and Paying Agent shall not resign or be removed until a successor Registrar and Paying Agent has been appointed. The Issuer shall promptly (within 30 days) appoint a successor Registrar and Paying Agent upon the resignation or removal and the then serving Registrar and Paying Agent. Any successor Registrar and Paying Agent shall be a financial institution having trust powers and a capital and surplus of not less than $50,000,000.

Section 4.7 Compliance with DTC Requirements. So long as the 2011 Bonds are held in Book-Entry form at the Depository Trust Company, as Depository, the Registrar and Paying Agent shall comply with the provisions of the Blanket Letter of Representations between the Issuer and The Depository Trust Institution, and shall also comply with the letter from the Issuer to The Depository Trust Institution dated September 10, 2001 and attached hereto as Exhibit C.

EXHIBIT A-1*

Form of 2011A Bond

R-________________ $________________

UNITED STATES OF AMERICA
STATE OF MINNESOTA

MINNESOTA STATE COLLEGES
AND UNIVERSITIES

REVENUE FUND BOND
Series 2011A

Interest Rate	Maturity Date	Date of Original Issue	CUSIP

Registered owner: Cede & Co.

Stated Principal Amount: _______ DOLLARS

KNOW ALL MEN BY THESE PRESENTS that Minnesota State Colleges and Universities (the "Issuer"), for value received, acknowledges itself to be specially indebted and promises to pay to the registered owner named above, or registered assigns, but only from the sources specified herein, the Stated Principal Amount specified above on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable semiannually on April 1 and October 1 in each year, commencing October 1, 2012, to the person or entity in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) preceding the date on which the interest is payable (all subject to the provisions hereof with respect to the redemption of this Bond prior to the maturity date specified above). The interest hereon and, upon presentation and surrender hereof at maturity or upon earlier redemption, the principal hereof, are payable in lawful money of the United States of America, by check or draft issued on each interest payment date by U.S. Bank National Association, in Saint Paul, Minnesota (the "Trustee"), which has been designated as Registrar and Paying Agent for the Revenue Fund Bonds; or at the office of such successor, if any, to said bank as may be designated by the Issuer in accordance with the Master Indenture.

* Revise as necessary if 2011A Bonds are issued as Taxable Build America Bonds.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Master Indenture until the Certificate of Authentication hereon shall have been executed by the Registrar and Paying Agent by the manual signature of one of its authorized representatives.

This Bond is one of a Series in the Stated Principal Amount of $86,000,000, each of like date and tenor except as to registration number, interest, maturity date, redemption privilege, and denomination, issued for the purpose of financing the construction or improvement of dormitory, residence hall, student union, food service or other revenue producing buildings and related facilities located or to be located on the campuses of the Institutions comprising the Minnesota State University System (the "System"). The Revenue Fund Bonds of this Series are issued under authority of, and in strict conformity with, the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapter 136F (the "Act"), and under and pursuant to an Amended and Restated Master Indenture of Trust (the "Master Indenture") dated as of June 1, 2009 and entered into between the Issuer and the Trustee and a Series Resolution adopted by the Issuer on January 19, 2011 (the "Series Resolution").

Under the Act and the Master Indenture, the principal of and interest on this Bond are payable solely from and secured by an irrevocable pledge of certain Net Revenues (as defined in the Master Indenture) to be derived by the Issuer from the operation of certain revenue producing Facilities of the System which have been pledged and appropriated to the Debt Service Account in the Issuer's Revenue Fund, on a parity as to both principal and interest with certain other Senior Bonds heretofore or hereafter issued under and pursuant to the Master Indenture, and are further secured by a Reserve Requirement required to be established and maintained in the Debt Service Reserve Account. Such pledge and appropriation is junior and subordinate to the pledge and appropriation of such Net Revenues for the payment of the principal of and interest on certain Outstanding Revenue Fund Bonds of the Issuer. All covenants and provisions made for the payment and security of Revenue Fund Bonds payable from the Debt Service Account are set forth in the Master Indenture which is available for inspection by the registered owner of this Bond at the Issuer's administrative office in St. Paul, Minnesota, and which is incorporated herein by reference.

This Bond is not a general obligation of the Issuer, and the full faith and credit of the Issuer is not pledged for its payment. The Issuer has no taxing authority. This Bond does not constitute a debt or obligation of the State of Minnesota within the meaning or application of any constitutional or statutory limitation or provision.

Revenue Fund Bonds of this Series maturing on or after October 1, 2022 are subject to optional redemption and prepayment upon direction of the Issuer in whole on any date after October 1, 2021 and in part, on any Interest Payment Date thereafter, in Authorized Denominations, at a redemption price equal to the principal amount redeemed plus accrued interest to the date of redemption, without premium.

Revenue Fund Bonds of this Series maturing on October 1 in the years ____ and ____ are subject to mandatory redemption prior to maturity by mandatory sinking fund installments, and are to be redeemed by lot, at 100% of the principal amount thereof plus accrued interest to the redemption date, on the following dates and in the following principal amounts:

[to be provided]

If, upon the earlier of either (i) the completion of the work planned to be financed by the proceeds of these Revenue Fund Bonds, or (ii) three years from the date of issuance of these, proceeds of these Revenue Fund Bonds remain in the related subaccount in the Capital Expenditures Account in excess of those required to pay then unpaid but incurred capital expenditures, such excess shall be transferred to the Escrow Account and applied to the redemption of these Revenue Fund Bonds, to the extent of the funds so transferred, at their principal amount, plus interest accrued to the redemption date, without premium, on the first day of the next succeeding month for which timely notice of redemption can be given; provided, however, that the three-year limit contained in clause (ii) shall not apply if the Issuer obtains an opinion of bond counsel stating that the delay in the expenditure of proceeds will not cause these Revenue Fund Bonds to lose their tax-exempt status.

In the event of damage to or destruction of any Facility, in whole or part, these Revenue Fund Bonds are subject to redemption in whole or in part at the principal amount thereof plus accrued interest to the date of redemption, without premium, on the first day of any month for which timely notice of redemption can be given, whether or not an Interest Payment Date, from the proceeds of any insurance claim payment or condemnation award or portion thereof not applied to repair, restore or replace the damaged or taken Facility.

Notice of redemption shall be given by first class mail, postage prepaid, mailed not less than 30 days prior to the Redemption Date, to each holder of Revenue Fund Bonds to be redeemed at the address of the holder appearing in the Bond Register. No defect in or failure to give notice by mail to any holder shall affect the validity of the proceedings for redemption of any Revenue Fund Bond held by any holder to which proper notice by mail has been given. If notice by publication is required by law, the Paying Agent shall cause publication to be made in the form and at the time provided by law. All notices of redemption shall state: (i) the Redemption Date; (ii) the Redemption Price; (iii) the principal amount of Revenue Fund Bonds to be redeemed and the identification (and, in the case of partial redemption, the respective principal amounts) of the Revenue Fund Bonds to be redeemed, specifying their CUSIP number, their registration number and Maturity Date; (iv) that on the Redemption Date, the Redemption Price will be due and payable upon each Revenue Fund Bond, and interest will cease to accrue from and after such date (unless, under a redemption conditioned on sufficient funds, such condition is not met); and (v) the place or places where such Revenue Fund Bonds are to be surrendered for payment.

The Revenue Fund Bonds of this Series are issuable only as fully registered Bonds, in Stated Principal Amounts of $5,000 or any multiple thereof of a single maturity.

As provided in the Master Indenture and subject to certain limitations set forth therein, this Bond is transferable upon the books of the Issuer at the principal corporate trust office of the Trustee, as Registrar and Paying Agent, in Saint Paul, Minnesota, or its successor, by the registered owner hereof, in person or by his attorney, duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar and Paying Agent, duly executed by the registered owner or his duly authorized attorney, and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange, the Issuer will cause to be issued in the name of the transferee or owner a new Bond or Bonds of the same aggregate Stated Principal Amount, Series, type, maturity, interest rate and terms as the surrendered Bond, subject to reimbursement for any tax, fee or governmental charge required to be paid by the Issuer or the Registrar and Paying Agent with respect to such transfer. The Issuer and the Registrar and Paying Agent shall treat the person in whose name this Bond is registered upon the books of the Issuer as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment of or on account of the principal, redemption price or interest and for all other purposes, and all such payments so made to the registered owner or upon his order shall be valid and effectual to satisfy and discharge the Issuer's liability upon this Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Registrar and Paying Agent shall be affected by any notice to the contrary.

IT IS CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to exist, to happen and to be performed precedent to and in the issuance of this Bond in order to make it a valid and binding special obligation of the Issuer in accordance with its terms, do exist, have happened and have been performed in due form, time and manner as so required; that prior to the issuance of this Bond, the Issuer has provided for the payment of the principal of and interest on this Bond as described herein; and that the issuance of this Bond does not cause the indebtedness of the State or the Issuer to exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed by the manual or printed facsimile signature and countersignature of its Authorized Representative, and by a manual imprint or printed facsimile of its official seal, and has caused this Bond to be dated as of the date set forth below.

Dated: ________________________

____
[Authorized Representative]

CERTIFICATE OF AUTHENTICATION

This is one of the Revenue Fund Bonds delivered pursuant to the Authorizing Resolution described within.

U.S. BANK NATIONAL ASSOCIATION

By _________________________________
Authorized Representative

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	--	as tenants in common	UNIF GIFT MIN ACT . . . . . (Cust)	Custodian. . . . . . (Minor)
TEN ENT	--	as tenants by the entireties		
JT TEN	--	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act . . . . (State)	

Additional abbreviations may also be used.

____

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto ____ (Please Print or Typewrite Name and Address of Transferee) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints ________________ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:__________________

____
Signature

____
Please Insert Social Security Number or Other Identifying Number of Assignee.

Notice: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular without alteration or any change whatever.

EXHIBIT A-2

Form of 2011B Bond

R-________________ $________________

UNITED STATES OF AMERICA
STATE OF MINNESOTA

MINNESOTA STATE COLLEGES
AND UNIVERSITIES

REVENUE FUND BOND
Taxable Series 2011B

Interest Rate	**Maturity Date**	**Date of Original Issue**	**CUSIP**

Registered owner: Cede & Co.

Stated Principal Amount: _____ DOLLARS

KNOW ALL MEN BY THESE PRESENTS that Minnesota State Colleges and Universities (the "Issuer"), for value received, acknowledges itself to be specially indebted and promises to pay to the registered owner named above, or registered assigns, but only from the sources specified herein, the Stated Principal Amount specified above on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable semiannually on April 1 and October 1 in each year, commencing October 1, 2012, to the person or entity in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) preceding the date on which the interest is payable (all subject to the provisions hereof with respect to the redemption of this Bond prior to the maturity date specified above). The interest hereon and, upon presentation and surrender hereof at maturity or upon earlier redemption, the principal hereof, are payable in lawful money of the United States of America, by check or draft issued on each interest payment date by the U.S. Bank National Association, in Saint Paul, Minnesota (the "Trustee"), which has been designated as Registrar and Paying Agent for the Revenue Fund Bonds; or at the office of such successor, if any, to said bank as may be designated by the Issuer in accordance with the Master Indenture.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Master Indenture until the Certificate of Authentication hereon shall have been executed by the Registrar and Paying Agent by the manual signature of one of its authorized representatives.

This Bond is one of a Series in the Stated Principal Amount of approximately $4,000,000, each of like date and tenor except as to registration number, interest, maturity date, redemption privilege, and denomination, issued for the purpose of financing the construction or improvement of dormitory, residence hall, student union, food service or other revenue producing buildings and related facilities located or to be located on the campuses of the Institutions comprising the Minnesota State University System (the "System"). The Revenue Fund Bonds of this Series are issued under authority of, and in strict conformity with, the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapter 136F (the "Act"), and under and pursuant to an Amended and Restated Master Indenture of Trust (the "Master Indenture") dated as of June 1, 2009 and entered into between the Issuer and the Trustee and a Series Resolution adopted by the Issuer on January 19, 2011 (the "Series Resolution").

Under the Act and the Master Indenture, the principal of and interest on this Bond are payable solely from and secured by an irrevocable pledge of certain Net Revenues (as defined in the Master Indenture) to be derived by the Issuer from the operation of certain revenue producing Facilities of the System which have been pledged and appropriated to the Debt Service Account in the Issuer's Revenue Fund, on a parity as to both principal and interest with certain other Senior Bonds heretofore or hereafter issued under and pursuant to the Master Indenture, and are further secured by a Reserve Requirement required to be established and maintained in the Debt Service Reserve Account. Such pledge and appropriation is junior and subordinate to the pledge and appropriation of such Net Revenues for the payment of the principal of and interest on certain Outstanding Revenue Fund Bonds of the Issuer. All covenants and provisions made for the payment and security of Revenue Fund Bonds payable from the Debt Service Account are set forth in the Master Indenture which is available for inspection by the registered owner of this Bond at the Issuer's administrative office in St. Paul, Minnesota, and which is incorporated herein by reference.

This Bond is not a general obligation of the Issuer, and the full faith and credit of the Issuer is not pledged for its payment. The Issuer has no taxing authority. This Bond does not constitute a debt or obligation of the State of Minnesota within the meaning or application of any constitutional or statutory limitation or provision.

Revenue Fund Bonds of this Series are not subject to redemption prior to maturity.

The Revenue Fund Bonds of this Series are issuable only as fully registered Bonds, in Stated Principal Amounts of $5,000 or any multiple thereof of a single maturity.

As provided in the Master Indenture and subject to certain limitations set forth therein, this Bond is transferable upon the books of the Issuer at the principal corporate trust office of the Trustee, as Registrar and Paying Agent, in Saint Paul, Minnesota, or its successor, by the registered owner hereof, in person or by his attorney, duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar and Paying Agent, duly executed by the registered owner or his duly authorized attorney, and may also be surrendered in exchange for Revenue Fund Bonds of other authorized denominations. Upon such transfer or exchange, the Issuer will cause to be issued in the name of the transferee or owner a new Bond or Bonds of the same aggregate Stated Principal Amount, Series, type, maturity, interest rate and terms as the surrendered Bond, subject to reimbursement for any tax, fee or governmental charge required to be paid by the Issuer or the Registrar and Paying Agent with respect to such transfer. The Issuer and the Registrar and Paying Agent shall treat the person in whose name this Bond is registered upon the books of the Issuer as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment of or on account of the principal, redemption price or interest and for all other purposes, and all such payments so made to the registered owner or upon his order shall be valid and effectual to satisfy and discharge the Issuer's liability upon this Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Registrar and Paying Agent shall be affected by any notice to the contrary.

IT IS CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to exist, to happen and to be performed precedent to and in the issuance of this Bond in order to make it a valid and binding special obligation of the Issuer in accordance with its terms, do exist, have happened and have been performed in due form, time and manner as so required; that prior to the issuance of this Bond, the Issuer has provided for the payment of the principal of and interest on this Bond as described herein; and that the issuance of this Bond does not cause the indebtedness of the State or the Issuer to exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed by the manual or printed facsimile signature and countersignature of its Authorized Representative, and by a manual imprint or printed facsimile of its official seal, and has caused this Bond to be dated as of the date set forth below.

Dated: ______________________

____
[Authorized Representative]

CERTIFICATE OF AUTHENTICATION

This is one of the Revenue Fund Bonds delivered pursuant to the Authorizing Resolution described within.

U.S. BANK NATIONAL ASSOCIATION

By ______________________________
Authorized Representative

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT MIN ACT . . . . . Custodian. . . . . .
(Cust) (Minor)

TEN ENT -- as tenants by the entireties

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

under Uniform Gifts to Minors Act . . . .
(State)

Additional abbreviations may also be used.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto ____ (Please Print or Typewrite Name and Address of Transferee) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints ________________ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:__________________	________________________________ Signature
_________________________ Please Insert Social Security Number or Other Identifying Number of Assignee.	Notice: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular without alteration or any change whatever.

EXHIBIT B
ANNUAL REPORT INFORMATION

The Annual Report Date will be the date that is 210 days after each fiscal year end, commencing with the fiscal year ending June 30, 2011.

1. The audited financial statements for the Revenue Fund most recent complete fiscal year.

2. The following financial and operating data:

a. Revenues

- Gross Revenues
- Maintenance and Operations Costs
- Net Revenues

b. Facilities

- Repair and Replacement Expenditures
- Costs for New Facilities
- Debt Financed Capital Expenditures (other than for new facilities)

c. Revenue Fund Bonds

- Principal Amount of Bonds Outstanding
- ❑ Senior Bonds
- ❑ Subordinate Bonds
- Annual Debt Service
- ❑ Senior Bond Principal
- ❑ Senior Bond Interest
- ❑ Subordinate Bond Principal
- ❑ Subordinate Bond Interest
- Unscheduled Redemptions
- ❑ Senior Bonds
- ❑ Subordinate Bonds

d. Debt Service Coverage Ratio [Net Revenues divided by annual debt service]

- Senior Bonds
- ❑ Last fiscal year
- ❑ Preceding fiscal year
- ❑ Second preceding fiscal year
- Subordinate Bonds

- Last fiscal year
- Preceding fiscal year
- Second preceding fiscal year

e. Guarantees

- Maximum exposure
- Amount paid in the last fiscal year

EXHIBIT C

Blanket Issuer Letter of Representations

[To be Completed by Issuer]

Minnesota State Colleges and Universities

[Name of Issuer]

September 10, 2001

[Date]

Attention: Underwriting Department — Eligibility
The Depository Trust Company
55 Water Street; 50th Floor
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with *respect to* all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to *the* Securities, Issuer represents *to* DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

Minnesota State Colleges and Universities
(Issuer)

By: LMKing
(Authorized Officer's Signature)

Laura M. King, Vice Chancellor - Finance
(Typewrite Name & Title)

500 World Trade Center, 30 E. 7th Street
(Street Address)

Saint Paul	MN	55101
(City)	(State)	(Zip)

(651) 649-5778
(Phone Number)

Received and Accepted:

THE DEPOSITORY TRUST COMPANY

By: [signature]

P-1947 12/95

Student Consultation Letters Summary

Institution	Date of Letter	Project Type	Summary
Anoka Ramsey Community College - Coon Rapids	**9/28/2010**	**Health/ Wellness**	Anoka-Ramsey Student Government supports the project and has been extensively involved in Revenue Fund project proposal and predesign; Student Government commits to pledge up to $400,000 of student life dollars; up to $150,000 from undesignated technology fees; and support the use of funds from the auxiliary services plan.
Bemidji State University	**10/15/2010**	**Residence Hall Renovation**	Student government is comfortable with the level of consultation for the project and were actively consulted by the administration, including discussions with the design firm working on the project.
MSCTC - Moorhead	**10/15/2010**	**Health/ Wellness**	Student Senate voted to move forward with the Wellness Center project and was satisfied with the level of consultation during the process.
Minnesota State University, Mankato - Residence Hall	**10/21/2010**	**New Residence Hall**	Student Senate believes student consultation was consistent with Board Policy and recommends moving forward with the project.
Minnesota State University, Mankato - Student Union	**10/21/2010**	**Student Union Ballroom Renovation**	The Student Association believes student consultation for the remodel of the ballroom was followed according to Board policy and recommends moving forward with its completion.
Minnesota State University Moorhead	**10/14/2010**	**Residence Hall Renovation**	Student Senate voted unanimously to support the continuation of the bond sale process for this project; the Residence Hall Association supports the renovation of Dahl Hall.
St. Cloud State University	**10/1/2010**	**Residence Hall Renovation**	Student Government is satisfied with the level of consultation. The Residence Hall Association approves of the plan to seek bond funding for the renovation of N. Shoemaker and Case/Hill Halls. A Residence Hall Association resolution dated September 13, 2010 was offered in support.
Saint Paul College	**10/26/2010**	**Parking Ramp**	Student Senate reached a consensus to go ahead with the plans for the revenue funding of the Parking Ramp on campus.

Tuesday, September 28, 2010

Interim President Jessie Stumpf
Anoka-Ramsey Community College
11200 Mississippi Blvd.
Coon Rapids, MN 55433

Dear Jessie:

The Anoka-Ramsey Community College Coon Rapids Campus Student Government has been extensively involved in the 2010 Revenue Fund Capital Project Proposal and predesign discussions. We believe the proposed Health and Wellness Center will greatly benefit the student population for years to come.

To this end, we are firmly committed to a resolution pledging student and Student Government support for the upcoming project. For the finer points, we resolve to:

- Pledge up to $400,000 of surplus student life dollars towards project planning and construction
- Contribute toward an ongoing fitness and technology replacement plan
- Support for the auxiliary services plan
- Support the use of up to $150,000 from undesignated technology fees
- Participate in the facilitation of a business plan

We believe the Health and Wellness Center will offer improved student life, as well as develop the fitness potential of the students via a highly useful facility at a very affordable price. We believe these new amenities would largely improve ADA accessibility, reduce over-scheduling by allowing 100% weight/cardio accessibility, add highly requested recreational activities such as the rock wall, and rectify current lack of access for the entire Coon Rapids student body with rooms for alternate fitness, day care, and more.

We believe bringing in new programs and increasing student and public access to athletic facilities will strengthen ties with community, one of our primary goals. In addition, the project creates opportunities for student leaders who will continue to provide guidance for the center through business planning and operational support.

Student Government, with continued involvement and consultation, has resolved to support the Revenue Fund – Health and Wellness Center and is resolved to continue such support throughout the life of the project.

Sincerely,

David Corgan

David Corgan
President - Student Government, Coon Rapids Campus
CC: Michael Seymour – Vice President ARCC

BEMIDJI

STATE UNIVERSITY

STUDENT SENATE

Date: October 15, 2010

To: Chancellor James H. McCormick
Minnesota State Colleges and Universities
500 Wells Fargo Place
30 East Seventh Street
St. Paul, MN 55101

From: Michael Meehlhause
Student Senate Co-President MM
Bemidji State University

Re: Revenue Fun Consultation Process

As per MnSCU's student consultation process described in Board Policy section 2.3, I am writing this letter to give an update on the consultation process regarding the Birch Residential Hall renovation here at Bemidji State University. On October 4th, students were invited to meet with the university hired architectural firm Bentz, Thompason, and Rietow to discuss the initial plans for the Birch Hall renovation. Students were given a PowerPoint presentation regarding the architectural firm's ideas for renovation, and then were asked to give feedback on the proposal. The firm answered questions that the students had and were very open-minded to student suggestions.

We are comfortable with the level of consultation students have received so far regarding the Birch Hall renovation, and the administration has done an admirable job to make sure student input is received at every phase of this process. As the Birch Hall renovation planning continues, we look forward to continual consultation between the students of Bemidji State and the administration. If you have any questions, please feel free to contact me.

Sincerely,

Michael Meehlhause
mmeehlhause@bemidjistate.edu
Cell: (763) 614-8863

218-755-2066 / Fax: 218-755-3757 / Hobson Memorial Union, 1500 Birchmont Drive NE #31, Bemidji, MN 56601-2699

BEMIDJI
STATE UNIVERSITY

STUDENT SENATE

CC: Richard Hanson, President
Lisa Erwin, Vice President of Student Development and Enrollment
Bill Maki, Vice President of Finance
Nancy Erickson, Vice President of Academic Affairs
Andrew Spaeth, State Chair, Minnesota State University Student Association (MSUSA)
Shannah Mulvihill, Director of University and System Relations, MSUSA
Greg Ewig, Director of Real Estate and Facilities Business Support

M State Student Government Association
Moorhead Campus

October 15, 2010

Chancellor James H. McCormick
Office of the Chancellor
Minnesota State Colleges & Universities
Wells Fargo Place
30 7th St. E., Suite 350
St. Paul, MN 55101-7804

Dear Chancellor McCormick:

This letter outlines the extensive consultation that the Minnesota State Community and Technical College (M State-Moorhead) Student Government Association received regarding the Wellness Center facility plan and revenue fund project.

At the October 8, 2010 Student Government Association meeting, the senate membership voted to move forward with the proposed Wellness Center. The addition of the Wellness Center to the Moorhead campus would enhance the health and wellness to all of the students on our campus. We know that this will serve the best interests of our current and future M State-Moorhead Students.

The Student Government Association at M State-Moorhead is satisfied with the level of consultation we have received during this facility construction process. The college administration has been available to answer questions regarding the pre-design process from the initial meeting until today. The Student Government Association looks forward to continuing with consultations as we move forward into the design and construction phases. Please feel free to contact me with and questions you have via e-mail.

Sincerely,

Megan K Thompson

Megan Thompson, Student Senate Admin Assistant
Megan_Thompson2@My.Minnesota.Edu

MSSA

M STATE

Student Government

MINNESOTA STATE UNIVERSITY, MANKATO

Chancellor James H. McCormick
Minnesota State Colleges and Universities
500 Wells Fargo Place
30 East Seventh Street
St. Paul, MN 55101

Dean Chancellor McCormick:

The Minnesota State Student Association is submitting this letter, as requested by MnSCU's student consultation policy, in regards to the remodeling of Minnesota State University, Mankato's Centennial Student Union Ballroom.

The Director of the CSU, Laurie Woodward, provided adequate information in an appropriate time to allow for full comprehension of the project. Director Woodward attended our meetings on several occasions to present materials, after her presentations she thoroughly answered any and all questions the MSSA asked and any further information requested was provided. Invitations to meetings with the construction and design companies were extended and student representatives were in attendance.

The MSSA feels student consultation for the remodel of the CSU Ballroom was followed according to Board Policy and recommends moving forward with its completion. Any questions please do not hesitate to ask, my contact information is printed below.

Sincerely,

Thomas Williams

Thomas Williams
President
78th Minnesota State Student Association
Centennial Student Union 280
507-389-3241

MINNESOTA STATE STUDENT ASSOCIATION
280 CENTENNIAL STUDENT UNION · MANKATO, MN 56001
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MSSA
M STATE
Student Government
MINNESOTA STATE UNIVERSITY, MANKATO

Chancellor James H. McCormick
Minnesota State Colleges and Universities
500 Wells Fargo Place
30 East Seventh Street
St. Paul, MN 55101

Dear Chancellor McCormick:

The Minnesota State Student Association is submitting this letter, as requested by MnSCU's student consultation policy, in regard to the Phase 2 portion of building new residential halls at Minnesota State University, Mankato.

The Director of Residential Life, Cynthia Janney, provided adequate information in an appropriate time to allow for full comprehension of the project. Director Janney attended our meetings on several occasions to present materials, after her presentations she thoroughly answered any and all questions the MSSA asked and any further information requested was provided.

The MSSA feels student consultation for the Phase 2 portion of construction was followed according to Board Policy and recommends moving forward with its completion. Any questions please do not hesitate to ask, my contact information is printed below.

Sincerely,

Thomas Williams

Thomas Williams
President
78th Minnesota State Student Association
Centennial Student Union 280
507-389-3241

MINNESOTA STATE STUDENT ASSOCIATION
280 CENTENNIAL STUDENT UNION · MANKATO, MN 56001
TELEPHONE 507-389-2611 (V) · 800-627-3529 or 711 (MRS/TTY) · FAX 507-389-5207

October 14, 2010

Dear Chancellor McCormick,

My name is Jenna Otremba, and I am the President of Minnesota State University Moorhead Residence Hall Association. Thank you for taking time to read this letter.

Last week, Heather Phillips, Director of Housing and Residential Life, came to our meeting to consult with us about the proposed Dahl Hall renovation. The presentation included information about the scope, schedule, and budget, as well as the Revenue Fund bond sale process related to the renovation. This presentation supplemented information that we heard about the proposed Dahl Hall renovation last year. We discussed the upgrades of the lighting, mechanics, and finishes of Dahl. We also talked about the remodeling of the bathrooms, and the plan for new furniture, paint, flooring, doors, and window treatments in the dorm rooms. Another thing we discussed was making Dahl Hall more accessible to people with disabilities – for example making bathrooms more wheel-chair accessible.

We are supportive of the renovation taking place during Summer 2011 and Summer 2012, as it would be a great addition to residential life. RHA's overall reactions were positive. We are very excited to see these renovations over the next two years. We whole-heartedly accept these ideas, and recommend showing the plans to other students, who will be as excited as we are.

Once again, thank you for taking the time to read this. We look forward to the renovations.

Sincerely,

Jenna Otremba

Jenna Otremba, President
Residence Hall Association
Minnesota State University Moorhead

October 11, 2010

To whom it may concern,

On Thursday, October 7, 2010, the Minnesota State University Moorhead Student Senate was consulted by Heather Phillips, MSUM's Housing and Residential Life Director, in regards to the revenue fund bond sale schedule for the renovation of Dahl Hall. Student Senate has voted unanimously to support the continuation of the bond sale process. If you have any questions regarding this issue, please feel free to contact me. Thank you!

Sincerely,

Allan Branstiter
MSUM Student Senate President

Allan Branstiter
71 6th Avenue N
Fargo, ND 58102

bransteu@mnstate.edu

ST. CLOUD STATE
UNIVERSITY
A tradition of excellence and opportunity

DEPARTMENT OF RESIDENTIAL LIFE

720 Fourth Avenue South
St. Cloud, MN 56301-4498
Phone (320) 308-2166
Fax (320) 308-5505

October 1, 2010

Chancellor James H. McCormick
Minnesota State Colleges and Universities
Wells Fargo Place Suite #350
30 Seventh Street East
St. Paul, MN 55101

Dear Chancellor McCormick,

On Monday September 13, 2010, Dan Pedersen, the Director of Residential Life at St. Cloud State University, presented information to the members of the Residence Hall Association on the renovation plans for the Shoemaker North residence hall. While the planning is in the bond request phase, the membership of the Residence Hall Association approves the Department of Residential Life's plans to seek funding for these renovation projects. I offer this letter and the attached resolution as evidence of our support.

Sincerely,

Rachel Dzuck

Rachel Dzuck
Residence Hall Association, President
St. Cloud State University

Resolution

Concerning the North Shoemaker renovations consultation

The Residence Hall Association,

Having heard a report from Dan Pedersen regarding the renovation plans for Shoemaker North;

Having discussed the benefits, concerns, and questions about these plans; and

Welcoming the invitation to have RHA representation on the North Shoemaker Renovation Project Committee;

1. *Expresses its appreciation* for being consulted regarding these plans;
2. *Calls upon* the President to draft a letter summarizing the points discussed here;
3. *Calls upon* the President to appoint an RHA representative to the North Shoemaker Renovation Project Committee; and
4. *Requests* that we continue to be updated as the renovation plans progress.

Approved
September 13, 2010

Rachel Dzuck

Rachel Dzuck, President

ST. CLOUD STATE UNIVERSITY

STUDENT GOVERNMENT
720 Fourth Avenue South
St. Cloud, MN 56301-4498
tel 320.308.3751

To: Chancellor James H. McCormick
Minnesota State Colleges and Universities

From: Amanda E. Bardonner AEB
Student Government President

Date: Monday, September 27, 2010

Subject: Consultation Regarding the Residential Life Facility Plan

MnSCU Board Policy 2.3 calls for student involvement in decision-making when issues have a significant impact on students. This memo outlines the consultation that the St. Cloud State University Student Government received regarding the Residential Life facility plan.

At the September 2, 2010 Student Association meeting a presentation was given regarding the renovation to Shoemaker, Hill and Case Residence Halls. The renovation would provide an updated living experience for students and serves the best interests of our students. Presenter Dan Pederson, Director of Residential Life, gave an overview of the construction plans as well as the bonding request. All information was presented through a handout which was provided for all members.

The Student Association at St. Cloud State University is satisfied with the level of consultation we have received during this facilities construction process. The university administration has been available to answer questions regarding the pre-design process from before the time of the presentation until today. The Student Association looks forward to continuing with consultations as we move forward into the design and construction phases. Please feel free to contact me with any questions you have.

Cc: Earl H. Potter III, President
Steve Ludwig, VP of Administrative Affairs
Wanda Overland, VP of Student Life and Development
Dan Pederson, Director of Residential Life
Matt Trombley, Student Government Advisor

Gregory Ewig - Final Consultation Letter

From: "Lisa Christensen Ext. 1733" <lisa.christensen@saintpaul.edu>
To: Bill Hansen <Bill.Hansen@saintpaul.edu>, "Thomas Doody - Ext. 1428" <thomas.doody@saintpaul.edu>, "gregory.ewig@so.mnscu.edu" <gregory.ewig@so.mnscu.edu>, "Thomas Matos - Ext. 1362" <Thomas.Matos@SaintPaul.edu>
Date: 10/25/2010 3:42 PM
Subject: Final Consultation Letter
CC: Robert Samon <samonr00@my.saintpaul.edu>

Greetings,
Below is Bob Samon's letter on final consultation. Please let us know if there is any suggestions or if it is good to go.
Thank you, Lisa Christensen

October 26, 2010

Chancellor James H. McCormick
Minnesota State Colleges and Universities
500 Wells Fargo Place
St. Paul, MN 56001

Dear Chancellor McCormick,

I am writing as a follow up to our initial student consultation letter regarding the parking ramp. On Tuesday, October 19th the Student General Assembly Dr. Donovan Schwichtenberg , President and Bill Hansen, Owners Representative provided updates on changes made to the plans since our October 5th General Assembly. This included an update on the reduced cost and size of the project and answered any questions students might have had.

Following the presentation our General Assembly voted on support of the parking ramp. The vote was in favor and the motion to support the ramp inform you that Student Senate have made a decision on the building of the Saint Paul College Parking Ramp, the consensus of the group was to go ahead with the plans for the revenue funding.

Thank you for giving us the time to talk about this and for giving us time to get the answers needed to make this happen.

Please contact me if you have any questions or concerns.

Sincerely,

Bob Samon
President, Saint Paul College Student Senate