

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance

AGENDA ITEM: 7 – M

DATE: March 30-April 1, 2016

SUBJECT: NSU Reimbursement Resolution

The Northern State University new residence hall planning and design is well underway. The building committee approved the final design plan in March 2015 and construction could begin in May. The current plan is to issue bonds this fall which requires that a reimbursement resolution be approved such that expenses can be reimbursed with bond proceeds at a later date. The resolution allows expenses that have been paid 60 days prior to approval to be included in the reimbursable amount.

The current plan is to issue bonds this fall when SDSU may be ready to proceed with their Wellness Center expansion. The Board approved an expansion of the Wellness Center with a private fundraising goal of 25% of the project. Private fundraising was to be in-hand before the project could proceed. The Board approved a \$4.50 GAF increase for the project.

RECOMMENDED ACTION OF THE EXECUTIVE DIRECTOR

I move approval of the following Reimbursement Resolution (a roll call vote is necessary):

1. The Board reasonably expects to reimburse Northern State University for capital expenditures relating to the NSU New Residence Hall (the "Project") with the proceeds of Housing and Auxiliary Facilities System Revenue Bonds of the Board (the "Bonds");
2. The costs of the Project to be reimbursed with proceeds of the Bonds have been or will be paid no earlier than 60 days prior to the date of this resolution; and
3. The maximum principal amount of Bonds expected to be issued for the Project is \$7,000,000, and the maximum amount of capital expenditures expected to be reimbursed with proceeds of the Bonds is \$3,500,000.