

APPENDIX D

Sale of Special Obligation Bonds – North Carolina State University

The Board of Governors is authorized to issue special obligation bonds for capital improvements projects that have been approved by the General Assembly. Although a specific source of funding is used by a campus when retiring these bonds, special obligation bonds are generally backed by a pledge of campus revenues, excluding tuition and State appropriations.

North Carolina State University requests that the Board issue special obligation bonds not to exceed \$110,000,000 for the purpose of (a) financing the costs of constructing, renovating, equipping and furnishing the educational, housing, athletic and recreational facilities of the NCSU campus, (b) the refunding of indebtedness issued consistent with the UNC-CH/NCSU Commercial Paper Program, the proceeds of which were used to pay a portion of the costs of the 2005 projects, (c) the refunding in advance of their maturities of additional revenue bonds issued for the benefit of the University when net present value savings to the University are achieved, and (d) paying the costs incurred in connection with the issuance of the 2005 Bonds.

The 2005 bonds will be issued for the following projects previously approved by the Board of Governors:

- Construction of Partners III Building
- Construction of College of Engineering Building
- Construction of College of Veterinary Medicine Research Building
- Construction of University Apartments
- Renovation and Construction of Barry, Becton and Bagwell Residence Halls
- Greek Housing Renovations
- Renovations to Athletics Facilities

It is recommended that the following Resolution be adopted and that the Vice President for Finance be authorized to sell the special obligation bonds between the January 2005 and May 2005 meetings of the Board.

RESOLUTION OF THE BOARD OF GOVERNORS OF THE
UNIVERSITY OF NORTH CAROLINA AUTHORIZING THE
ISSUANCE OF GENERAL REVENUE BONDS TO FUND SPECIAL
OBLIGATION BOND PROJECTS AT NORTH CAROLINA STATE
UNIVERSITY AT RALEIGH AND TO REFUND CERTAIN BONDS
PREVIOUSLY ISSUED BY THE BOARD OF GOVERNORS TO
FINANCE FACILITIES AT NORTH CAROLINA STATE
UNIVERSITY AT RALEIGH