

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY
BOND FINANCING PROGRAM**

EXECUTIVE SUMMARY

<p>Applicant: Occidental College ("Occidental") 1600 Campus Drive Los Angeles, CA 90041 Los Angeles County</p> <p>Facility Type: Private University</p> <p>Project Location: Los Angeles, CA</p> <p>Accreditations: Western Association of Schools and Colleges</p>	<p>Amount Requested: \$55,000,000</p> <p>Date Requested: April 25, 2013</p> <p>Resolution Number: 295</p>																				
<p>Use of Proceeds: Proceeds will be used to finance new capital projects including a major renovation of the library, renovations to undergraduate teaching facilities, residence hall upgrades, and to refund a portion of previously issued CEFA Series 2005A bonds for a net present value savings of approximately \$2.3 million, or 5.2% over the life of the bonds, under current market conditions.</p>																					
<p style="text-align: center;">Type of Issue: Negotiated public offering, tax-exempt and/or taxable fixed rates, \$5,000 minimum denominations.</p> <p style="text-align: center;">Credit Enhancement: None</p> <p style="text-align: center;">Expected Credit Rating: Aa3 (Moody's)</p> <p style="text-align: center;">Financing Team: <i>Please see Exhibit 1 to identify possible conflicts of interest</i></p>																					
<p>Environmental Benefits: The planned renovations included in the project will result in utility savings and increased energy efficiency, and includes asbestos abatement in a major administrative facility.</p>																					
<p>Financial Overview: Consistent growth in revenues, coupled with manageable operating expenses, have provided Occidental with solid operating results over the past three years. Occidental continues to maintain solid fiscal strength as the result of very strong long term debt management, cumulative asset growth, and declining liabilities.</p>																					
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;"><u>Sources of Funds:</u></th> <th colspan="2" style="text-align: left;"><u>Uses of Funds:</u></th> </tr> </thead> <tbody> <tr> <td style="width: 30%;">Par Amount of Bonds</td> <td style="width: 20%; text-align: right;">\$55,000,000</td> <td style="width: 30%;">Refunding</td> <td style="width: 20%; text-align: right;">\$49,515,905</td> </tr> <tr> <td>Premium</td> <td style="text-align: right;">8,005,708</td> <td>Project Fund</td> <td style="text-align: right;">12,895,053</td> </tr> <tr> <td></td> <td></td> <td>Financing Costs</td> <td style="text-align: right;">594,750</td> </tr> <tr> <td style="text-align: right;">Total Sources</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$63,005,708</td> <td style="text-align: right;">Total Uses</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$63,005,708</td> </tr> </tbody> </table>		<u>Sources of Funds:</u>		<u>Uses of Funds:</u>		Par Amount of Bonds	\$55,000,000	Refunding	\$49,515,905	Premium	8,005,708	Project Fund	12,895,053			Financing Costs	594,750	Total Sources	\$63,005,708	Total Uses	\$63,005,708
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<p>Legal Review: No information was disclosed to question the financial viability or legal integrity of the Applicant.</p>																					
<p>Staff Recommendation: Staff recommends the Authority approve Resolution No. 295 in an amount not to exceed \$55,000,000 for Occidental College subject to a bond rating of at least investment grade by a nationally recognized rating agency. Macias Gini & O'Connell, LLP, the Authority's financial analyst, and Public Financial Management, Inc., the Authority's financial advisor, concur with the Authority's staff recommendations.</p>																					

STAFF SUMMARY AND RECOMMENDATION

Occidental College (“Occidental”)

April 25, 2013

Resolution No. 295

I. PURPOSE OF FINANCING: Occidental is seeking to refund a portion of the CEFA Series 2005A bonds for a net present value savings of approximately \$2.3 million or 5.2% over the life of the bonds under existing market conditions, and to finance the cost of several new capital projects including a major renovation of the library, renovations to undergraduate teaching facilities, and residence hall upgrades.

Refunding.....\$49,515,905

Occidental anticipates issuing tax-exempt and/or taxable bonds to advance refund a portion of the CEFA Series 2005A bonds. The Series 2005A bonds were originally approved in the amount of \$54 million, of which approximately \$50 million currently remains outstanding. The CEFA Series 2005A bonds were issued to finance the acquisition, construction, and renovation of multiple facilities at Occidental, and to advance refund a portion of the CEFA Series 1997 bonds. The refunding will provide a net present value savings for Occidental of approximately \$2.3 million, or 5.2%, over the life of the bonds in the current market.

Project Fund 12,895,053

Occidental plans to finance the cost of renovations to the library and several undergraduate teaching facilities; the cost of HVAC repair and asbestos abatement in a major administrative center; the replacement of the thermal storage and cooling towers of the campus chiller plant; the repairing of an outdoor amphitheater and installation of new lighting; and improvements to four residential halls (including fire sprinkler upgrading, structural repairs, installation of air conditioning units, and the waterproofing of all residence halls).

Environmental Benefits:

Occidental anticipates the planned renovations will result in utility savings and increased energy efficiency from repairing HVAC systems and the chiller replacement. In addition, the renovations being performed on the administrative center involves asbestos abatement.

Financing Costs.....\$594,750

Cost of Issuance..... \$325,000
Underwriter’s Discount..... 269,750

TOTAL USES OF FUNDS..... \$63,005,708

II. PROPOSED COVENANTS, SECURITY AND DISCLOSURES:

Executive summary and recommendations include minimum requirements. Additional or more stringent covenants or disclosures may be added following consultation with Authority staff but without further notification to the Authority's Board. These covenants cannot be diluted or removed without subsequent review. If there have been modifications to the covenant proposal following the preparation of this executive summary, staff will report such changes at the meeting.

After reviewing Occidental's credit profile, including its current financial profile, prior bond transactions and considering what the market will support, the financing team has concluded that the covenants listed below align the interests of the Borrower, the Authority, and the investors and therefore are appropriate to this transaction. The financing team notes that these covenants contain necessary tax and legal covenants that are consistent with those that have applied to Occidental's prior bond transactions and Occidental's current financial situation does not suggest that additional covenants should be required.

- ✓ **Unconditional Promise to Pay.** *Borrower agrees to pay Trustee all amounts required for principal and interest and other payments and expenses designated in the Loan Agreement. All Revenues¹ and any other amounts held in certain designated funds under the Indenture are pledged to secure the full payment of the bonds.*
- ✓ **Comply with SEC Rule 15c2-12.** *The rule prohibits underwriters from underwriting municipal bond deals unless the issuer or borrower contractually agrees to disclose designated financial and operating information to the marketplace during the life of the bonds and to report designated "material events" such as missed debt service payments, any change in bond ratings, defeasance, redemptions, etc.*
- ✓ **Limited Permitted Encumbrances.** *Borrower is subject to a restrictive set of allowable encumbrances it may incur pursuant to the Loan Agreement.*

Staff and PFM have reviewed the entirety of this financing package and find it to be acceptable.

¹Capitalized terms are defined in the Indenture.

III. FINANCIAL ANALYSIS:

Occidental College
Statement of Activities
Unrestricted

	Fiscal Year Ended June 30,		
	<u>2012</u>	<u>2011</u>	<u>2010</u>
Operating activities:			
<i>Revenues:</i>			
Net student revenues	\$ 70,836,563	\$ 66,986,717	\$ 61,809,007
Private gifts, grants and contracts	8,286,621	8,742,667	10,093,419
Federal and state grants and contracts	3,268,968	3,022,889	2,702,287
Investment income designated for operations	3,108,017	2,978,460	3,217,560
Other	5,689,587	5,106,755	4,653,722
Net assets released from restrictions	14,294,034	14,481,058	14,421,015
Total revenues	<u>105,483,790</u>	<u>101,318,546</u>	<u>96,897,010</u>
<i>Expenses:</i>			
Academic program	48,859,533	47,725,533	47,118,231
Co-curricular program	28,682,935	28,036,450	27,312,491
Public service	4,278,435	4,516,598	3,865,204
Marketing	10,849,401	10,136,024	9,485,092
Institutional support	8,139,121	7,554,770	8,187,943
Total expenses	<u>100,809,425</u>	<u>97,969,375</u>	<u>95,968,961</u>
Increase in net assets from operating activities	4,674,365	3,349,171	928,049
<i>Other changes in net assets:</i>			
Net assets released for capital expenditures	1,364,820	1,072,306	194,251
Private gifts, grants, and contracts for capital expenditures	1,116,769	2,035,000	
Annuity funds released			64,823
Present value adjustment for annuities	(112,347)	(117,589)	(134,229)
Realized and unrealized (losses) gains, net	(3,336,734)	7,342,329	4,349,405
Change in underwater funds	(1,128,822)	2,201,493	1,391,644
Redesignation of net assets	(750,748)	(291,851)	(36,986)
	<u>(2,847,062)</u>	<u>12,241,688</u>	<u>5,828,908</u>
Change in unrestricted net assets	1,827,303	15,590,859	6,756,957
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	<u>134,557,615</u>	<u>118,966,756</u>	<u>112,209,799</u>
UNRESTRICTED NET ASSETS, END OF YEAR	<u>\$ 136,384,918</u>	<u>\$ 134,557,615</u>	<u>\$ 118,966,756</u>

Occidental College
Statement of Financial Position

	As of June 30,		
	<u>2012</u>	<u>2011</u>	<u>2010</u>
ASSETS:			
Cash and cash equivalents	\$ 5,099,712	\$ 4,654,236	\$ 2,721,372
Assets whose use is limited	2,053,400	5,021,555	10,744,968
Student accounts receivable	479,619	529,606	612,567
Contracts and grants receivable	1,278,975	1,111,053	943,877
Contributions receivable, net	8,843,874	10,169,449	2,758,081
Inventories	617,026	534,233	515,319
Other assets	2,125,345	3,700,542	1,350,571
Trust deeds receivable	1,204,975	1,304,050	1,581,249
Investments	375,618,824	394,157,412	348,420,802
Student notes receivable, net	21,914,020	20,919,846	19,292,675
Bond issuance costs	1,551,726	1,619,420	1,687,114
Assets held in trust by others	9,738,693	9,511,195	8,069,203
Property and equipment, net	156,115,909	139,657,896	134,846,314
Total assets	\$ 586,642,098	\$ 592,890,493	\$ 533,544,112
LIABILITIES AND NET ASSETS:			
Accounts payable and accrued liabilities	\$ 13,740,070	\$ 12,930,263	\$ 12,220,912
Student deposits and deferred revenue	5,095,869	4,698,378	4,718,586
Bonds payable	83,450,000	85,125,000	86,735,000
Bonds premium, net	1,606,378	1,679,395	1,752,412
Government loans payable	4,167,567	4,167,567	4,167,567
Annuities payable	13,277,802	13,580,392	12,366,168
Asset retirement obligations	2,829,185	2,622,354	2,403,591
Total liabilities	124,166,871	124,803,349	124,364,236
Net assets:			
Unrestricted	136,384,918	134,557,615	118,966,756
Temporarily restricted	178,066,163	190,732,089	154,147,595
Permanently restricted	148,024,146	142,797,440	136,065,525
Total Net Assets	462,475,227	468,087,144	409,179,876
TOTAL LIABILITIES AND NET ASSETS	\$ 586,642,098	\$ 592,890,493	\$ 533,544,112

Financial Ratios

	Proforma			
	FYE 6/30/12 (a)	<u>2012</u>	<u>2011</u>	<u>2010</u>
Debt service coverage (x)	1.67	2.63	2.42	2.13
Debt to expendable net assets (x)	0.33	0.27	0.27	0.32
Expendable net assets to operations (x)		3.12	3.32	2.85
Margin		4%	3%	1%

(a) Recalculates FY 2012 results to include the impact of this proposed financing.

Financial Discussion:

Consistent growth in revenues, coupled with manageable operating expenses, have provided Occidental with solid operating results over the past three years.

Occidental has posted positive operating results over the three-year review period. Revenues have grown by 9% from \$96.8 million in FY 2010 to \$105.4 million in FY 2012, primarily supported by an increase in net student revenues of 14%, and an increase in federal and state grants and contracts of 20% since FY 2010. Expenses for Occidental have increased modestly over the same time frame by 5%, from \$95.9 million in FY 2010 to \$100.8 million in FY 2012. Academic Program and Co-curricular Program expenses, which represent 77% of Occidental's total expenses, experienced increases of 3% and 5%, respectively. The growth in these expenses along with the increase student revenues can be attributed to a steady rise in Occidental's student population.

Other changes in unrestricted net assets have fluctuated significantly from \$6.7 million in FY 2010, \$15.5 million in FY 2011, and \$1.8 million in FY 2012. These fluctuations were most apparent in the categories of assets released for capital expenditures, net realized and unrealized losses and gains, and changes in underwater funds. However, the cumulative result of relatively small and stable growth in expenses and stronger increases in revenues has pushed operating results from \$928,049 in FY 2010 to over \$4.6 million in FY 2012.

Occidental continues to maintain solid fiscal strength as the result of long term debt management, cumulative asset growth, and declining liabilities.

Total assets for Occidental over the three-year review period have experienced positive growth of 10% from \$533.5 million in FY 2010 to \$586.6 million in FY 2012, supported by consistent returns in investments (+8%), growth in net student notes (+13%) and property and equipment (+16%). Total liabilities decreased by 1%, with the largest liability category, bonds payable, decreasing by 4% over the review period as Occidental continues to meet its annual debt obligations. Unrestricted net assets have grown by 14% since FY 2012, providing Occidental with a stable and growing asset base.

Occidental continues to meet its long terms debt obligations, with bonds payable declining by 4% since FY 2010. Debt service coverage for Occidental in FY 2012 remains solid with a ratio of 2.63x. Including the proposed bond financing, Occidental's proforma debt service coverage continues to remain strong at 1.67x.

IV. BACKGROUND:

General:

Occidental College (“Occidental”) is an independent, coeducational college of liberal arts and sciences. Founded in 1887, Occidental was one of the first liberal arts colleges in California and remains one of a small number of colleges nationwide focused strictly on undergraduate education. Although established by a group of Presbyterian ministers and laymen, Occidental has been non-sectarian since 1910. The campus in the Eagle Rock section of Los Angeles opened in 1914. It is one of the few liberal arts colleges in an urban setting. Designed by noted architect Myron Hunt and landscaped by Beatrix Farrand, the heart of the 120-acre campus is the oak-studded Quadrangle and Occidental’s original Beaux Arts academic buildings. Some 13 student-governed residence halls house 78 percent of the student body.

One of the founders of intercollegiate sports in Southern California, Occidental is part of the Southern California Intercollegiate Athletic Conference (SCIAC) at the NCAA Division III level. Students participate in 21 intercollegiate sports (10 for men, 11 for women) and numerous club and intramural sports. Arts programs include glee club, orchestra, jazz ensemble, theater, dance, film, painting, drawing, printmaking, graphics, and sculpture. Students belong to more than 85 clubs and organizations.

Administration:

Occidental is governed by a self-perpetuating Board of Trustees composed of up to 45 members. The Bylaws require that the Board of Trustees include as members the President of the College, the President of the Alumni Association Board of Governors, and four alumni-elected trustees. With the exception of the President of the College and the President of the Alumni Association Board of Governors, who serve by virtue of their offices, all members of the Board of Trustees are elected for staggered four-year terms. Approximately one-fourth of the members are elected annually.

Accreditations and Affiliations:

Occidental is accredited by the Western Association of Schools and Colleges. In addition, Occidental holds membership in a number of regional and national organizations related to higher education. The Delta of California Chapter of Phi Beta Kappa was established at Occidental in 1926. The most recent WASC accreditation was in 2012.

Academic Programs:

Occidental offers undergraduate degrees in a wide range of disciplines and a master’s degree in marine biology. Students choose from 39 majors and minors. Each major culminates in a comprehensive examination or project. Course work is integrated with opportunities for independent study, original research, study in dozens of foreign countries, and participation in one of the country’s few United Nations programs for undergraduates. Occidental has exchange, joint degree, or cross-registration programs with Caltech, Art Center College of Design, Columbia University, and Keck Graduate Institute. Occidental’s students have been admitted to top graduate programs, and it ranks among the top 10 percent of liberal arts colleges whose graduates have earned Ph.D.s. Since winning its first Rhodes Scholarship in 1907, Occidental has consistently won national and international recognition for academic achievement, *U.S. News and World Report* has ranked Occidental in the top tier of liberal arts colleges since 1991.

V. OUTSTANDING DEBT :

<u>Issue:</u>	<u>Original Issue Amount</u>	<u>Amount Outstanding as of 6/30/2012</u>	<u>Estimated Amount Outstanding After Proposed Financing*</u>
Existing Debt:			
CEFA, Series 2005A	\$54,320,000	\$50,835,000	\$5,815,000
CEFA, Series 2005B	16,015,000	13,300,000	12,705,000
CEFA, Series 2008	20,000,000	19,315,000	18,950,000
 Proposed:			
CEFA, Series 2013		_____	_____ 55,000,000
 Total		_____ \$83,450,000	_____ \$92,470,000

*Utilizes amounts outstanding as of 3/31/2013

VI. DUE DILIGENCE:

Due diligence has been completed with regard to the following items:

- Religious Due Diligence
- Legal Review
- Compliance with Section 94212(b) of the Education Code – California Environmental Quality Act
- Iran Contracting Act Certificate

VII. STAFF RECOMMENDATION:

Staff recommends the Authority approve Resolution No. 295 in amount not to exceed \$55,000,000 for Occidental College subject to a bond rating of at least investment grade by a nationally recognized rating agency. Macias Gini & O’Connell, LLP, the Authority’s financial analyst, and Public Financial Management, Inc., the Authority’s financial advisor, concur with the Authority’s staff recommendations.

EXHIBIT 1

Financing Team Occidental College

Borrower:	Occidental College
Agent for Sale:	California State Treasurer
Issuer's Counsel:	Attorney General's Office
Issuer's Financial Advisor:	Public Financial Management, Inc.
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Underwriter:	Wells Fargo Securities
Underwriter's Counsel:	Hawkins Delafield & Wood LLP
Borrower's Counsel:	Allen Matkins Leck Gamble Mallory & Natsis LLP
Trustee/Escrow Bank:	U.S. Bank, N.A.
Trustee Counsel:	Dorsey & Whitney LLP
Rating Agency:	Moody's Investors Service

RESOLUTION NO. 295

**RESOLUTION OF THE
CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY
AUTHORIZING THE ISSUANCE OF REVENUE BONDS
TO FINANCE AND REFINANCE
PROJECTS AT THE EDUCATIONAL FACILITIES OF
OCCIDENTAL COLLEGE**

WHEREAS, the California Educational Facilities Authority (the “Authority”), a public instrumentality of the State of California, is authorized and empowered by the provisions of the California Educational Facilities Authority Act (the “Act”) to issue revenue bonds and loan the proceeds thereof to participating private colleges (as defined in the Act) for the acquisition or construction of projects (as defined in the Act), to refund existing bonds, mortgages, or advances or other obligations incurred, given, or made by a participating private college for the acquisition or construction of any projects, to loan the proceeds thereof to a participating private college for the purposes of refinancing projects not originally funded pursuant to the Act (including repayment of costs, as defined in the Act), and to refund existing bonds or notes of the Authority;

WHEREAS, Occidental College (the “Borrower”) is a nonprofit public benefit corporation duly organized and existing under the laws of the State of California;

WHEREAS, the Authority has previously issued its Revenue Bonds (Occidental College), Series 2005A (the “Prior Bonds”), in the aggregate principal amount of \$54,320,000, of which \$50,055,000 currently is outstanding and made a loan (the “Prior Loan”) of the proceeds thereof to the Borrower to finance or refinance the acquisition or construction of projects, as more particularly described under the caption “Prior Project” in Exhibit A hereto; and

WHEREAS, the Borrower has requested that the Authority issue one or more series of its revenue bonds in an aggregate principal amount not to exceed \$55,000,000 (i) to refund a portion of the outstanding Prior Bonds, (ii) to make one or more loans of the proceeds of the Bonds (as defined below) to the Borrower to acquire and construct projects (as defined in the Act), as more particularly described under the caption “New Project” in Exhibit A hereto (the “New Project” and together, with the Prior Project, the “Project”), and (iii) pay costs of issuance for the Bonds;

WHEREAS, to the extent required by subdivision (b) of Section 94212 of the Education Code, the Borrower has provided documentation to the Authority demonstrating, to the extent applicable, that the Project has complied with Division 13 (commencing with Section 21000) of the Public Resources Code or is not a “project” under such division; and

WHEREAS, approval of the terms of issuance and sale of such revenue bonds and various related matters is now sought;

NOW, THEREFORE, BE IT RESOLVED by the California Educational Facilities Authority as follows:

Section 1. Pursuant to the Act, revenue bonds of the Authority, to be designated generally as “California Educational Facilities Authority Revenue Bonds (Occidental College) Series 2013” (the “Bonds”) in a total aggregate principal amount not to exceed \$55,000,000, are hereby authorized to be issued from time to time in one or more series, with such other name or names of the Bonds or series thereof as may be designated in the Indenture hereinafter mentioned in Section 3. The proceeds of the Bonds shall be used for any or all the purposes set forth in the fourth recital above.

Section 2. The Treasurer of the State of California (the “State Treasurer”) is hereby authorized to enter into agreements to sell the Bonds in one or more series, on one or more sale dates at any time within one year of the date of adoption of this Resolution, at public or private sale, in such aggregate principal amount (not to exceed the aggregate principal amount set forth in Section 1) and in such series, at such prices, at such interest rate or rates, with such maturity date or dates and upon such other terms and conditions as the State Treasurer, with the advice and consent of the Borrower, may determine. The Bonds, at issuance, shall be rated at investment grade by an active nationally recognized rating agency. The Bonds or any series of them may, at the sole option of the Borrower, be secured or supported by one or more of the following: deed of trust, bond reserve fund, bond insurance, other credit and/or liquidity facility and/or another security arrangement.

Section 3. The following documents:

(a) the Loan Agreement relating to the Bonds (the “Loan Agreement”), between the Authority and the Borrower,

(b) the Indenture relating to the Bonds (the “Indenture”), between the Authority and U.S. Bank National Association, a national banking association, as trustee (the “Trustee”),

(c) the Purchase Contract, including the appendices thereto, relating to the Bonds (the “Purchase Contract”), among Wells Fargo Bank, National Association (the “Underwriter”), the State Treasurer and the Authority and approved by the Borrower, and

(d) the Preliminary Official Statement relating to the Bonds (the “Preliminary Official Statement”).

are hereby approved in substantially the forms on file with the Authority prior to this meeting with such insertions, deletions or changes therein (including, without limitation, insertions, deletions or changes therein appropriate to reflect provisions relating to a deed of trust, a bond reserve fund, bond insurance, any other credit and/or liquidity facility and/or another security arrangement, at the sole option of the Borrower, for any series of Bonds) as the officer(s) executing the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof in the case of the Loan Agreement, the Indenture and the Purchase Contract, and by delivery thereof in the case of the Preliminary Official Statement.

The Executive Director shall seek the advice of bond counsel and counsel to the Authority with respect to any such insertions, deletions or changes therein.

Section 4. The dated dates, maturity dates (not exceeding 50 years from the respective date of issue), interest rates, interest payment dates, denominations, forms, registration privileges or requirements, place or places of payment, terms of purchase or tender, terms of redemption, provisions governing transfer and other terms of the Bonds shall be as provided in the Indenture, as fully executed.

Section 5. The Underwriter is hereby authorized to distribute (in paper and/or electronic form) the Preliminary Official Statement to persons who may be interested in the purchase of such Bonds offered in such issuance, it being understood, at the discretion of the Underwriter (in consultation with the Borrower), a preliminary official statement may not be used with respect to any series of Bonds. The Underwriter is hereby directed to deliver a final Official Statement for the Bonds (the "Official Statement") to all actual purchasers of such Bonds.

Section 6. The Bonds, when executed, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's certificate of authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to or upon direction of the Underwriter thereof in accordance with written instructions executed on behalf of the Authority, which instructions are hereby approved. Said instructions shall provide for the delivery of the Bonds to or upon direction of the Underwriter in accordance with the Purchase Contract upon payment of the purchase price thereof.

Section 7. Each officer of the Authority, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things which he or she may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution, the Indenture, the Loan Agreement, the Purchase Contract and the Official Statement. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation: (a) a tax certificate and agreement and other certifications; (b) an escrow agreement and (c) any agreement or commitment letter with respect to the provision of bond insurance, a letter of credit, a surety bond, a credit facility and/or a liquidity facility for the Bonds.

Section 8. The provisions of the Authority's Resolution No. 2013-01 apply to the documents and actions approved in this Resolution.

Section 9. The Authority hereby approves and ratifies each and every action taken by its officers, agents and employees prior to the date hereof in furtherance of the purposes of this Resolution.

Section 10. This Resolution shall take effect from and after the date of adoption.

Date of Adoption: _____

EXHIBIT A

THE PROJECT

The facilities comprising the New Money Project and the Prior Project, except for the property located at 1480 Campus Road, are located or are to be located on the main campus of the College, the address of which is 1600 Campus Road, Los Angeles, California, bounded by Campus Road on the south, north and west and by Avenue 51 on the east (the “Main Campus”).

Prior Project:

The portion of the Prior Project that was originally financed in 2005 was comprised of the acquisition, construction, installation, expansion, renovation, rehabilitation, furnishing and equipping of a residence hall, athletic facilities, parking facilities, academic buildings, administrative office buildings and related infrastructure improvements.

The portion of the Prior Project that was originally financed in 1997 was comprised of the following elements:

- (a) construction and equipping of a split location chiller plant at the intersection of Campus Road and Baer Road and a second chiller plant located at the intersection of Armadale Road and Campus Road;
- (b) construction and equipping of a new parking structure bounded by Campus Road and Armadale Drive;
- (c) construction, expansion, rehabilitation, renovation, remodeling and equipping of Freeman Student Union, known as Johnson Student Center, located on Baer Road;
- (d) expansion, rehabilitation, renovation, remodeling and equipping of Samuelson Pavilion located on Bird Road;
- (e) expansion, rehabilitation, renovation, remodeling, equipping and infrastructure improvements of the Faculty Club located on Campus Road, the Coons Administration Building located on Bird Road, the central quad area on the Main Campus and property and structures located at 1480 Campus Road, adjacent to the Main Campus; and
- (f) acquisition, construction, renovation, rehabilitation, equipping and infrastructure improvements of other educational facilities located on the Main Campus, including darkrooms, the Norris Chemistry Building, the Mosher building, Thorne Hall, Johnson Hall, the admissions building, Bell Young Hall, Fowler Hall, sidewalks and athletic facilities.

New Project:

The New Money Project is comprised of the following elements:

- (a) renovation of the main library into an academic commons that will include library resources, group workplaces, academic support programs and electronic resource areas;
- (b) renovation of the Norris Chemistry Building;
- (c) replacement of the College’s chiller plant and thermal storage and cooling towers;

- (d) upgrade of fire sprinkler systems, structural repairs, installation of air conditioning, and waterproofing for four student residence halls (Chillcott, E. Norris, Braun and Stewart-Cleland);
- (e) renovation of the BioScience Building, including the Moore Laboratory of Zoology;
- (f) renovation of the Weingart Hall for the Arts;
- (g) repair of the HVAC system and asbestos abatement in the Arthur G. Coons Administrative Center;
- (h) installation of a new lighting system and repair of the Remsen Bird Hillside Theater, an outdoor amphitheater; and
- (i) related infrastructure improvements.