

STAFF SUMMARY RECOMMENDATION

THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY Third Amendment to and Reinstatement of Resolution No. 273

May 26, 2016

PRIOR AMOUNT APPROVED:	\$1,093,805,000
NEW PROPOSED AMOUNT:	\$1,300,000,000
PRIOR APPROVAL DATES:	March 17, 2010, as amended on April 25, 2013 and April 24, 2014
FINANCING TEAM:	Please see Attachment 2 to identify possible conflicts of interest
LOCATION:	Stanford, CA, Santa Clara County

PURPOSE OF THE THIRD AMENDMENT AND REINSTATEMENT: The Board of Trustees of the Leland Stanford Junior University (“Stanford”) seeks to authorize a Third Amendment to and Reinstatement of Resolution No. 273 (the “Resolution”) as follows:

- Reinstatement the Resolution to issue bonds through May 31, 2017;
- Increase the prior authorized amount from \$1,093,805,000, to \$1,300,000,000; and
- Amend the authorized project list to include additional projects identified in Exhibit A (attached here to as Attachment 1).

BACKGROUND: In March 2010, the Authority approved the Resolution and amended it in April 2013 for the benefit of Stanford, authorizing the issuance of one or more series of revenue bonds to finance and refinance authorized projects, as identified in Exhibit A of the Resolution, that included the acquisition, construction, expansion, rehabilitation, remodeling, renovation and equipping of certain educational facilities, in an amount not to exceed \$1,016,805,000, with an expiration date of March 17, 2016. In April 2014, the Authority approved a second amendment to the Resolution to increase the prior authorized amount not to exceed \$1,093,805,000, amend the authorized project list to include additional projects, and to authorize a private placement structure.

Under the Resolution, the Authority issued Stanford’s Series U-1 bonds in May 2010 in the amount of \$215,375,000; Series U-2 bonds in April 2012 in the amount of \$77,760,000; Series U-3 bonds and Series U-4 bonds in May 2013 in the amount of \$261,410,000 and \$39,215,000, respectively; and Series U-5 bonds and Series U-6 bonds in May 2014 in the amounts of \$124,115,000 and \$278,980,000, respectively.

The Resolution expired on March 17, 2016, and at the time, Stanford anticipated issuing additional bonds to complete their current Capital Plan utilizing funds from existing financings and commercial paper. However, due to current market conditions, Stanford decided it would be financially prudent to seek the issuance of bond financing through CEFA, providing Stanford the opportunity to strengthen and reduce their long term cost of debt.

ENVIRONMENTAL BENEFIT: As part of Stanford's Capital Plan, they adopted an Energy and Climate Plan, known as the "Stanford Energy System Innovations (SESI)" designed to provide the campus with a more efficient central energy facility that would include a heat recovery design, and reduce greenhouse gas emissions and total campus water consumption. This new system was operational in April 2015 and along with Stanford's solar power procurement, is anticipated to reduce campus emissions approximately 68% from 2014 levels and save 15% of campus potable water. The energy and cost efficiencies from the SESI project is projected to save Stanford \$420 million over the next 35 years.

FINANCIAL STATUS: Stanford reports strong operating results over the review period, posting continuous year end surplus from operations of approximately \$313 million in FY 2015, \$214 million in FY 2014, and \$165 million in FY 2013. Stanford attributes the increase to strong sponsored research support, solid investment income, sound health care service revenue, generous donor support, and consistent tuition revenue. Together these sources represent 90% of Stanford's almost \$5.0 billion in unrestricted operating revenues in FY 2015.

Operating expenses for Stanford increased over the review period, from nearly \$4.0 billion in FY 2013 to \$4.6 billion in FY 2015. Salaries and benefits, which comprise 61% of Stanford's total operating expenses, increased from \$2.5 billion to \$2.8 billion over the same period. Stanford attributes the increase to the combination of salary programs designed to maintain the University's competitive position, higher benefit costs, and increases in headcount to support new programs and sponsored research activities. In addition, other operating expenses and depreciation experienced growth over the same review period primarily due to expenses incurred in support of sponsored research activities, new programs and facilities.

Stanford's balance sheet appears to exhibit good liquidity and solid financial strength over the review period reflecting strong donor support, solid investment returns, and positive operating results, with total assets increasing approximately 15%, from \$31.5 billion in FY 2013 to \$36.2 billion in FY 2015, providing Stanford with a solid and growing asset base.

DUE DILIGENCE: Staff has received and reviewed the Eligibility, Legal Review, Religious Due Diligence, and CEQA documentation. All documentation satisfies the Authority's requirements.

RECOMMENDATION: Staff recommends that the Authority approve the Third Amendment to and Reinstatement of Resolution No. 273, subject to all prior provisions and conditions remaining unchanged and in full effect.

Stanford University
Statements of Activities (000's) - University Only

	Fiscal Year Ended August 31,		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Operating Revenues			
Total Student Income	\$ 563,586	\$ 533,690	\$ 511,444
Total Sponsored Research Support	1,386,768	1,266,147	1,233,202
Total Health Care Services	840,961	697,505	623,596
Current Year Gifts in Support of Operations	233,572	211,841	180,071
Total Net Assets Released from Restrictions	158,171	136,693	121,988
Total Investment Income Distributed for Operations	1,276,463	1,166,110	1,004,520
Special Program Fees and Other Income	498,804	493,446	463,450
Total Operating Revenues	4,958,325	4,505,432	4,138,271
Operating Expenses			
Salaries and benefits	2,848,708	2,659,610	2,498,157
Depreciation	334,592	310,958	291,732
Other operating expenses	1,462,398	1,321,272	1,182,960
Total Operating Expenses	4,645,698	4,291,840	3,972,849
Change In Net Assets from Operating Activities	312,627	213,592	165,422
Non-Operating Activities			
Increase in reinvested gains	644,855	1,561,670	899,321
Donor advised funds, net	66,734	29,314	1,930
Current year gifts not included in operations	1,655	17,673	2,902
Equity and fund transfers from Hospitals, net	89,963	69,018	29,002
Capital and other gifts released from restrictions	96,693	167,626	192,676
Pension and other post employment benefit related changes other than net periodic benefit expense	(85,091)	11,952	145,927
Transfer to permanently restricted net assets, net	(49,998)	(41,232)	(37,010)
Transfer to temporarily restricted net assets, net	(26,223)	(41,028)	(19,621)
Swap interest and change in value of swap agreements	(8,587)	(12,072)	17,682
Other	(2,693)	5,765	821
Net Change in Unrestricted Net Assets	1,039,935	1,982,278	1,399,052
Net Change in Temporarily Restricted Net Assets	(100,113)	1,231,409	580,240
Net Change in Permanently Restricted Net Asset	272,517	284,349	238,392
TOTAL NET ASSETS, BEGINNING OF YEAR	29,221,137	25,723,101	23,505,417
TOTAL NET ASSETS, END OF YEAR	\$ 30,433,476	\$ 29,221,137	\$ 25,723,101

Stanford University
Statements of Financial Position (000's) - University Only

	As of August 31		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
ASSETS			
Cash and cash equivalents	\$ 708,204	\$ 630,214	\$ 784,443
Assets limited as to use	160,351	300,566	165,238
Accounts receivable, net	225,440	454,990	358,483
Receivables (payables) from SHC and LPCH, net	89,045	85,909	81,649
Prepaid expenses and other assets	77,303	67,869	62,223
Pledges receivable, net	760,519	711,795	644,811
Student loans receivable, net	81,492	81,441	78,437
Faculty and staff mortgages and other loans receivable, net	549,724	507,187	453,330
Investment at fair value	28,766,240	27,828,590	24,703,407
Plant facilities, net of accumulated depreciation	4,795,564	4,558,913	4,207,927
Works of Art and Special Collections	-	-	-
TOTAL ASSETS	\$ 36,213,882	\$ 35,227,474	\$ 31,539,948
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable and accrued expenses	\$ 719,979	\$ 644,821	\$ 653,413
Accrued pension and post retirement benefit cost	685,836	566,236	542,924
Pending trades of securities	14,431	232,893	405,748
Liabilities under security lending agreements	132,425	191,011	84,048
Deferred rental and other income	652,850	616,575	584,067
Income beneficiary share of split interest agreements	435,426	436,166	394,195
Notes and bonds payable	3,085,378	3,264,636	3,098,433
U.S. government refundable loan funds	54,081	53,999	54,019
TOTAL LIABILITIES	5,780,406	6,006,337	5,816,847
NET ASSETS:			
Unrestricted	16,507,624	15,467,689	13,485,411
Temporarily restricted	7,744,051	7,844,164	6,612,755
Permanently restricted	6,181,801	5,909,284	5,624,935
TOTAL NET ASSETS	30,433,476	29,221,137	25,723,101
TOTAL LIABILITIES AND NET ASSETS	\$ 36,213,882	\$ 35,227,474	\$ 31,539,948

ATTACHMENT 1

Projects

100 Gigabyte Border Routers Upgrade
100 Gigabyte Connectivity to Corporation for Education Network Initiatives in California (CENIC)
1047 Campus Drive -Bathroom & Miscellaneous Repairs
1520 Page Mill Road Tenant Improvements
1651 Page Mill Renovation
2370 Watson Court Tenant Improvements
408 Panama Mall Office Building
Academic Equipment
Access Ramps
Accessible Parking
Accessible Pathways
Accessible Restrooms
Add Chilled Water Heat Exchanger to Highland Hall
Administrative Systems Infrastructure
Alumni Center Distributed Digital Control Upgrade
Always Seismic Renovation
Americans with Disabilities Act compliance at various buildings (ADA)
Anderson Collection at Stanford University (formerly Anderson Gallery Building)
Anne T. and Robert M. Bass Biology Research Building and Connective Elements
Arguello Domestic Water Main
Arguello Way Storm Drain Upgrade
Arillaga Family Sport Center Backfill
Arrillaga Family Sports Center Addition
Backup/Storage Improvements
Barnes Living/Learning and Security Upgrades
Barriers Removal
Bicycle and Pedestrian Paths & Lighting
BioChem Quad Utilities
Biomedical Innovation Building and Tunnel Infrastructure
Boiler Feed Water Piping Systems
Building Energy Retrofit Program
Building Expansions
Building Renovations
C.J. Huang Building
Campus Drive 24 inch Chilled Water - Roth/Quarry
Campus Drive at Bowdoin Domestic Water
Campus Drive at Galvez Domestic Water
Campus Energy Management Control System (EMCS) Upgrade
Campus Hot Water-Galvez to Arguello
Campus Transit Improvements
Capital Utilities Program (CUP)
Central Energy Facility Eyewash Showers
Central Energy Facility Controls Upgrade
Central Energy Facility Distributed Control System/Instrument Upgrade
Central Energy Facility Site Improvement/Pump house
Central Loading Dock and Stauffer III Demolition
Chi Theta Chi Row House Renovation

Chilled Water Extensions
Chilled Water Heat Exchangers
Chilled Water Metering
CJ Huang Tenant Improvement Build-out
Clark Center Whole Building Energy Retrofit Program
Client/Server Hardware
Columbae Life Safety and Code Compliance and Miscellaneous Upgrades
Communications & Networking Systems
Conduit-Welch Rd Reinforcement
Copper Cable
Crothers Way 12-Inch Domestic Waterline Replacement
CUP - All Other
CUP - Chilled Water
CUP - Creek/Pump Stations
CUP - Department Firewalls
CUP - Domestic Water
CUP - Fish Ladders
CUP - Hot Water
CUP - IT & CS
CUP - Lake Water
CUP - Other
CUP - Reservoirs
CUP - Sewer
CUP - Steam
CUP - Storm Drains
CUP System Expansion and CUP System Replacement
Current Good Manufacturing Practice (cGMP) Facility
Data Center Power and Cooling Upgrade
David and Joan Traitel Building and Connective Elements
Deferred/Planned Maintenance
Departmental Firewall Refresh
Dolores Knob, Tube & Misc. Scope and Design
Domestic Water Facilities
Domestic Water Inter-Tie Upgrade
Domestic Water Supervisory Control and Data Acquisition
Domestic Water System Bowdoin Pressure Reducing Valve Stations
Domestic Water Transmission
Drainage
Drainage System Upgrades
Dry Land Diving Facility
Durand Knob, Tube & Misc. Scope and Design
Edwards Seismic Retrofit
El Camino Swale Rehab
Electric Motor Replacement
Electric Vehicle Service Equipment Expansion Project
Electrical Smart Meters
Electrical Upgrade Backlog Scope & Design
Electricity Metering Projects
Electronic Communications Hub (ECH)/Enterprise Data Center Cable & Conduit
Electronic Communications Hub Improvement & Expansions - East Campus
Elevator Upgrade
Elevators

Emergency Generators and Fueling Project
Emergency Management & Control Systems (EMCS)
Energy Retrofit Program
Energy Retrofit Program - Medical School of Business Air Handler
Energy Retrofit Program Heating, Ventilation and Air Conditioning Upgrades at Arillaga Center for Sports and Recreation
Energy Retrofit Program Heating, Ventilation and Air Conditioning Upgrades at Arillaga Family Sports Center
Energy Retrofit Program-Maples Control System
Escondido Road Lake Water
Escondido South Hot Water Line
Escondido South Interiors Reno
Escondido Village Barnes Sprinkler, Roof & Miscellaneous
Escondido Village Graduate Residences and Parking Garage
Escondido Village High-rise Sprinklers Installation
Escondido Village Hulme Midrise Renovation
Escondido Village Low-Rise Fire Alarm
Escondido Village Site Lighting
Escondido Village Slab Heat Renovation
Escondido Village Slab Replacement
Exterior Backlog Scope & Design
Exterior Backlog Stern Windows
Fiber cables
Fire Alarms
Forsythe Fiber and Managed Machine Room Switch
Freidenrich Center for Translation Research
Fremont Road Longitudinal Welded Pipe Upgrade
French Knob, Tube & Misc. Scope and Design
Furniture Fixture & Equipment (FF&E) & Vehicles
Galvez Mall Lake Water Pipe
Galvez Street Storm Drain Upgrade
Garbage Disposal Code Upgrades and Grease Containment
Gender-Neutral Restroom Conversions
General Use Permit (GUP) Mitigation Projects
Governor's Corner Interim improvement
Governor's Corner Renovation
Graduate School of Business Bio-Retention Renewal
Grove Life Safety and Code Compliance and Miscellaneous Upgrades
Heating, Ventilation, and Air Conditioning (HVAC)
Highland Hall (formerly, Stanford Graduate School of Business Graduate Residences, formerly Graduate School of Business Housing Expansion)
High Voltage Cable Replacement
High Voltage (HV) Infrastructure Upgrade and HV Transmission System Improvements
High Voltage Replacements
High Voltage Supervisory Control and Data Acquisition (SCADA) Upgrades
Hoskins Sprinkler, Living/Learning, Security Upgrade
Hot Water Pipe Via Ortega, Via Pueblo
Information Technology & Communication Systems
Information Technology System (ITS) Communications Cable
Information Technology System (ITS) Communications Conduit
Information Technology System (ITS) Conduit - Conduit to Scientific Research
Computing Facility

Information Technology System (ITS) Fiber to Scientific Research Computing Facility
@ SLAC
Information Technology System (ITS) Improvements
Information Technology System (ITS) Networking Systems Cable
Infrastructure Improvements
Infrastructure Upgrade
Infrastructure Upgrade Lagunita
Interiors Backlog Hammarskjold
Interiors Backlog Scope & Design
Interiors Backlog Toilet Retrofits Hulme
Interiors Backlog Toilet Retrofits Phi Sigma
Interiors Backlog Toilet Retrofits Synergy
Irrigation System Upgrade
ITS Conduit for New Northwest Data Center and Communications Hub
ITS Conduit: New Windhover
ITS Conduit: New Bass Building
ITS Conduit: Porter Drive
ITS Copper: AT&T Minimum Point of Entry Copper
ITS Copper: New Manzanita Residences
ITS Copper: New McMurtry Building
ITS Fiber for New Northwest Data Center and Communications Hub
ITS Fiber: Beckman - Fairchild
ITS Fiber: Forsythe-Polya
ITS Fiber: Jenkins - Mirrielee
ITS Fiber: Jenkins to Rains
ITS Fiber: Maples to Police Compound
ITS Fiber: Medical Electronic Communications Hub to Beckman
ITS Fiber: New Manzanita Residences
ITS Fiber: New McMurtry Building
ITS Fiber: Northwest Data Center and Communications Hub to Puichon
ITS Fiber: Press Electric Communication Hub Reinforcements
ITS Fiber: Quad Electric Communication Hub-Aero/Astro
ITS Fiber: Quad Electric Communication Hub-Li Ka Shing Center
ITS Fiber: Sunken Diamond
ITS Fiber: West Electronic Communications Hub - Pine Hall
ITS Fiber: Stadium to Maples
ITS Fiber: East Electric Communications Hub-Bonair Electric Communication Hub
ITS Fiber: East Electric Communications Hub-Jenkins Electric Communications Hub
ITS Fiber: Haas 0.1 to Mayfield
ITS Fiber: Medical Electric Communication Hub Reinforcement
ITS Fiber: Northwest Data Center Communications Hub Electric Communications Hub
to Beckman
ITS Fiber: Press Electric Communications Hub-Bldg 02-500
Jen-Hsun Huang Engineering Center
Junipero Serra Boulevard Lake Water Lake Lagunita to Campus East
Junipero Serra Boulevard Lake Water Replacement Fremont to Lake Lagunita
Kairos Knob, Tube & Misc. Scope and Design
Knight Management Center
Knob, Tube & Misc. Scope and Design Projects
Lagunita Bathrooms Upgrade
Lagunita Court Refurbishment
Lagunita Lakeside Patio Pergola
Lake Water Filtration

Lake Water Supervisory Control and Data Acquisition
Lasuen Knob & Tube & Misc. Upgrades Scope and Design
Li Ka Shing Center for Learning & Knowledge
Life Safety and Code Compliance and Miscellaneous Upgrades
Life Safety and Code Compliance Backlog
Life Safety and Code Compliance Backlog - Haus Mitteleuropa
Life Safety and Code Compliance Backlog - Synergy
Life Safety and Code Compliance Fire Alarms
Life Safety and Code Compliance Fire Alarms - STERN BURBANK
Life Safety and Code Compliance - Fire Alarms-STERN DONNER
Life Safety and Code Compliance-Fire Alarms-STERN LARKN N
Life Safety and Code Compliance-Fire Alarms-STERN LARKN W
Life Safety and Code Compliance-Fire Alarms-STERN SERRA
Life Safety and Code Compliance-Fire Alarms-STERN TWAIN E
Life Safety and Code Compliance-Fire Alarms-STERN TWAIN N
Life Safety and Code Compliance-Fire Alarms-STERN ZAPATA
Life Safety and Code Compliance - Fire Sprinklers
Life Safety and Code Compliance Fire Sprinklers - FRENCH HOUSE
Life Safety and Code Compliance Fire Sprinklers - BARNES
Life Safety and Code Compliance Fire Sprinklers - Escondido Village Center
Life Safety and Code Compliance Fire Sprinklers - HULME
Life Safety and Code Compliance Fire Sprinklers - MIRRIELEES
Life Safety and Code Compliance Fire Sprinklers - SAE
Living/Learning Upgrades
Loading Docks
Lorry I Lokey Stem Cell Research Building
Manzanita Park Refurbishment
Manzanita Undergraduate Dormitory (formerly New Manzanita Undergraduate Dormitory)
Manzanita, Graduate School of Business Housing, Schwab Hot Water
Mars Knob, Tube & Misc. Scope and Design
McCullough Energy Efficiency
Mechanical, Electrical and Plumbing, Sewer & Exterior Infrastructure
Meters & Backflow Preventer
Meters and Backflows
Miranda Avenue Domestic Water System Reconfiguration
Miranda Domestic Water Upgrade
Muwekma Life Safety and Code Compliance and Miscellaneous Upgrades
Network Taps
Network-Backbone
Networking Load Balancer System
Networking Special Projects
New Buildings
New Dining & Kitchens and Renovations
New Residences at Lagunita Court (formerly Lagunita Court Addition)
New Water Well #3
New Wells & Rehabilitations
Northwest Data Center and Communications Hub
Northwest Data Center and Communications Hub Computer Cabinet Buildout
On Campus Photovoltaics
Outdoor Lighting LED Retrofit
Panama Street Utility Relocation
Paul Allen Building Annex Distributed Digital Control Upgrade
Paul Allen Building Distributed Digital Control Upgrade

Phi Psi Knob, Tube & Misc. Scope and Design
Photovoltaics Power Generation
Pump Stations
Rains Houses Renovation
Recycled Water System
Refrigerant Leak Alarm System
Renovation /Refresh-Escondido Village South Interiors
Renovations and Seismic Projects
Replacement Boiler Plant
Replacement Central Energy Facility Site Camera and Card Reader Addition
Research Animal Facility 1 and Research Animal Facility 2 Rehabilitation & Retrofit
Residential & Dining Enterprise (R&DE) Deferred Maintenance Backlog projects
Residential & Dining Enterprise (R&DE) Major Renovation Plan (formally Capital
Project Program (CPP) and Capital Improvement Program (CIP))
Residential Computing Wireless
Roads
Roble Dining Hall Expansion
Roble/Lagunita Outdoor Dining Enhancements
Roof Replacement
Roofs and Maintenance Equipment Backlog Construction Stern
Roofs and Maintenance Equipment Backlog Scope & Design
Roofs and Maintenance Equipment Backlog- Synergy
Roth Knob, Tube & Misc. Scope and Design
Row House Kitchen Replacements
Row House Knob/Tube & Miscellaneous Upgrade
Row House Renovations
Row Kitchen Renovations
Salvatierra St Domestic Water Replacement
San Juan Hill Drainage Improvements
San Juan Reservoir Rehabilitation
Sanitary Sewer Rehabilitation
Science Teaching and Learning
Scientific Research Computing Facility - Backbone and Firewall Refresh
Scientific Research Computing Facility "Uplift" Racks Refresh
Sewer and Domestic Water Line Replacement
Sewer Replacement - Galvez
Shriram Center for Bioengineering and Chemical Engineering
Siebel Golf Practice Remodeling
Sigma Nu Knob, Tube & Misc. Scope and Design
Site Improvements
Slab Heating Replacement
Slavianski Dom Life Safety and Code Compliance and Miscellaneous Upgrade
Software Systems
Special Fast Track Cable
Stadium Field House
Stanford Ave Storm Drain Replacement
Stanford CheM-H and the Stanford Neurosciences Institute (SNI) (formerly Chemical
Biology/Neurosciences)
Stanford Energy System Innovation & High Voltage Substation
Stanford Energy System Innovation Piping & Building Conversion
Stanford in Redwood City
Stanford Infrastructure Program (SIP)
Steam Metering

Stern Hall Window Replacement
Stern Larkin Resident Fellow Apartment Expansion/Reconfiguration/Renovation
Stern-Twain Resident Fellow Apartment Expansion and Renovation
Storm Drain Improvements
Storm Drainage
Supervisory Control and Data Acquisition (SCADA) System Upgrade
Sweet Hall/Galvez Lake Water Upgrade
Trails
Undergraduate Housing and Dining
Underground Utilities Infrastructure Improvements
Uninterruptable Power Supply (UPS)
University Terrace (previously named California Avenue Homes)
Utility Metering, Billing, Reporting and Sustainability Systems Integration
Utility Upgrades Site & Safety Improvements
Waste Collection System
Water Conservation & Recycling Plan Implementation
Water Conservation Program
Water Mains
Water Wells Rehabilitation
Well 3R Electrical Upgrade
West Campus Detention Facilities
Whole Building Energy Retrofit Program (WBERP)
Whole Building Energy Retrofit Program (WBERP) – Mechanical Engineering Research
Lab (MERL)
Whole Building Energy Retrofit Program (WBERP) - Varian
William H. Neukom Building (Law School Clinics & Faculty Office Building)
Wireless Access Points for Central Energy Facility and Substation
Wireless Infrastructure
Wiremold Replacement
Yang & Yamazaki Environment and Energy Building

ATTACHMENT 2

Financing Team Stanford University

Borrower:	The Board of Trustees of the Leland Stanford Junior University
Agent for Sale:	California State Treasurer
Issuer's Counsel:	Attorney General's Office
Issuer's Financial Advisor:	Public Financial Management, Inc.
Issuer's Financial Analyst:	Macias Gini O'Connell LLP
Bond Counsel:	Orrick, Herrington & Sutcliffe
Underwriters:	Goldman Sachs & Co. Barclays Capital Inc. Bank of America Merrill Lynch
Underwriter's Counsel:	Hawkins Delafield & Wood LLP
Borrower's Counsel:	Ropes and Gray, LLP
Trustee:	The Bank of New York Mellon, N.A.
Trustee Counsel:	The Law Office of Samuel D. Waldman
Rating Agency:	Moody's Investor Services, Standards & Poors, Fitch Ratings
Auditor:	PricewaterhouseCoopers LLP

THIRD AMENDMENT TO AND REINSTATEMENT OF RESOLUTION NO. 273

**RESOLUTION OF THE CALIFORNIA EDUCATIONAL FACILITIES
AUTHORITY AMENDING THE PROJECTS SET FORTH IN
RESOLUTION NO. 273 AUTHORIZING THE ISSUANCE OF REVENUE
BONDS TO FINANCE AND/OR REFINANCE EDUCATIONAL
FACILITIES FOR THE BOARD OF TRUSTEES OF THE LELAND
STANFORD JUNIOR UNIVERSITY**

May 26, 2016

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 bonds, notes, debentures, commercial paper notes, or other securities to finance and refinance the acquisition, construction, expansion, rehabilitation, remodeling, renovation and equipping of educational facilities by participating private colleges (as defined in the Act) situated within the State of California;

WHEREAS, The Board of Trustees of the Leland Stanford Junior University (the “Borrower”) applied to the Authority for the issuance of its bonds in the aggregate principal amount not to exceed \$1,093,805,000 (the “Bonds”), to be issued from time to time on behalf of the Borrower to provide financial assistance to the Borrower to finance and refinance the acquisition, construction, expansion, rehabilitation, remodeling, renovation and equipping of certain of the Borrower’s educational facilities, as more fully described in Exhibit A attached to and incorporated in the Bond Resolution (as defined below) (the “Prior Projects”);

WHEREAS, pursuant to Resolution No. 273 adopted on March 17, 2010, as amended by First Amendment to Resolution No. 273 adopted on April 25, 2013 and Second Amendment to Resolution No. 273 adopted on April 24, 2014 (as amended, the “Bond Resolution”), the Authority authorized the issuance of the Bonds for the Prior Projects;

WHEREAS, the Authority has issued such Bonds, designated as its California Educational Facilities Authority Revenue Bonds (Stanford University) Series U-1 in the aggregate principal amount of \$215,375,000, its California Educational Facilities Authority Revenue Bonds (Stanford University) Series U-2 in the aggregate principal amount of \$77,760,000, its California Educational Facilities Authority Revenue Bonds (Stanford University) Series U-3 in the aggregate principal amount of \$261,410,000, its California Educational Facilities Authority Revenue Bonds (Stanford University) Series U-4 in the aggregate principal amount of \$39,215,000, its California Educational Facilities Authority Revenue Bonds (Stanford University) Series U-5 in the aggregate principal amount of \$124,115,000 and its California Educational Facilities Authority Revenue Bonds (Stanford University) Series U-6 in the aggregate principal amount of \$278,980,000 and expects to issue additional Bonds pursuant to the Bond Resolution;

WHEREAS, the Borrower subsequently applied to the Authority for the issuance of additional Bonds from time to time on behalf of the Borrower to provide financial assistance to the Borrower to finance and refinance the acquisition, construction, expansion, rehabilitation,

remodeling, renovation and equipping of certain additional educational facilities of the Borrower, such additional facilities being more fully described in Exhibit A attached hereto and incorporated herein (the “Projects”);

WHEREAS, the Borrower has provided documentation to the Authority demonstrating that all parts of the Projects have complied with Division 13 (commencing with Section 21000) of the Public Resources Code, or are not projects under that division;

WHEREAS, the Bond Resolution required that the Bonds be sold not later than March 17, 2016; and

WHEREAS, the Borrower has requested that the Authority reinstate the Bond Resolution, increase the authorized amount under the Bond Resolution to \$1,300,000,000 and extend the date for issuance of the Bonds to May 25, 2017;

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

Section 1 The Borrower’s application for additional financial assistance filed with the Authority is hereby approved.

Section 2 The Bond Resolution is hereby reinstated and is hereby supplemented and amended as follows:

(a) Exhibit A, which describes the Prior Projects, as attached to the Bond Resolution and referred to in the third WHEREAS clause of the Bond Resolution shall be amended by Exhibit A, which describes the Projects, attached hereto and incorporated herein.

(b) The amount of \$1,093,805,000 appearing in Sections 2 and 3 and Exhibit B of the Bond Resolution shall be replaced in its entirety with the amount of \$1,300,000,000.

(c) The date “March 17, 2016” appearing in Section 3 of the Bond Resolution shall be replaced in its entirety by “May 25, 2017.”

(d) The reference to “Resolution No. 2013-01, as amended by Amendment to Resolution No. 2013-01” appearing in Section 9 of the Bond Resolution shall be replaced in its entirety with “Resolution No. 2014-03”.

(e) A new Section 12 is hereby added to the Bond Resolution as follows:

“Section 12. The aggregate principal amount of California Educational Facilities Authority Revenue Bonds (Stanford University) Series U-7 originally issued shall not exceed the difference between \$550,000,000 and the aggregate principal amount of Commercial Paper Notes outstanding at any one time under Resolution No. 255, as amended.”

Section 3 Except as herein amended and supplemented, all of the findings, terms and provisions of the Bond Resolution are hereby ratified, confirmed and approved.

Section 4 This amendment shall take effect from and after the date of adoption.

Date of Adoption:

EXHIBIT A

PROJECTS DESCRIPTION

“*Projects*” means, collectively, all of the projects listed in Exhibit A to the original Bond Resolution, as amended, which are incorporated herein by reference, plus the following additional educational facilities of the Borrower, but only to the extent that the cost thereof has been financed or refinanced from proceeds of the Bonds:

100 Gigabyte Border Routers Upgrade
100 Gigabyte Connectivity to Corporation for Education Network Initiatives in California (CENIC)
1047 Campus Drive -Bathroom & Miscellaneous Repairs
1520 Page Mill Road Tenant Improvements
1651 Page Mill Renovation
2370 Watson Court Tenant Improvements
408 Panama Mall Office Building
Academic Equipment
Access Ramps
Accessible Parking
Accessible Pathways
Accessible Restrooms
Add Chilled Water Heat Exchanger to Highland Hall
Administrative Systems Infrastructure
Alumni Center Distributed Digital Control Upgrade
Always Seismic Renovation
Americans with Disabilities Act compliance at various buildings (ADA)
Anderson Collection at Stanford University (formerly Anderson Gallery Building)
Anne T. and Robert M. Bass Biology Research Building and Connective Elements
Arguello Domestic Water Main
Arguello Way Storm Drain Upgrade
Arillaga Family Sport Center Backfill
Arrillaga Family Sports Center Addition
Backup/Storage Improvements
Barnes Living/Learning and Security Upgrades
Barriers Removal
Bicycle and Pedestrian Paths & Lighting
BioChem Quad Utilities
3Biomedical Innovation Building and Tunnel Infrastructure
Boiler Feed Water Piping Systems
Building Energy Retrofit Program
Building Expansions
Building Renovations
C.J. Huang Building
Campus Drive 24 inch Chilled Water - Roth/Quarry
Campus Drive at Bowdoin Domestic Water

Campus Drive at Galvez Domestic Water
Campus Energy Management Control System (EMCS) Upgrade
Campus Hot Water-Galvez to Arguello
Campus Transit Improvements
Capital Utilities Program (CUP)
Central Energy Facility Eyewash Showers
Central Energy Facility Controls Upgrade
Central Energy Facility Distributed Control System/Instrument Upgrade
Central Energy Facility Site Improvement/Pumphouse
Central Loading Dock and Stauffer III Demolition
Chi Theta Chi Row House Renovation
Chilled Water Extensions
Chilled Water Heat Exchangers
Chilled Water Metering
CJ Huang Tenant Improvement Build-out
Clark Center Whole Building Energy Retrofit Program
Client/Server Hardware
Columbae Life Safety and Code Compliance and Miscellaneous Upgrades
Communications & Networking Systems
Conduit-Welch Rd Reinforcement
Copper Cable
Crothers Way 12-Inch Domestic Waterline Replacement
CUP - All Other
CUP - Chilled Water
CUP - Creek/Pump Stations
CUP - Department Firewalls
CUP - Domestic Water
CUP - Fish Ladders
CUP - Hot Water
CUP - IT & CS
CUP - Lake Water
CUP - Other
CUP - Reservoirs
CUP - Sewer
CUP - Steam
CUP - Storm Drains
CUP System Expansion and CUP System Replacement
Current Good Manufacturing Practice (cGMP) Facility
Data Center Pool and Cooling Upgrade
David and Joan Traitel Building and Connective Elements
Deferred/Planned Maintenance
Departmental Firewall Refresh
Dolores Knob, Tube & Misc. Scope and Design
Domestic Water Facilities
Domestic Water Inter-Tie Upgrade
Domestic Water Supervisory Control and Data Acquisition

Domestic Water System Bowdoin Pressure Reducing Valve Stations
Domestic Water Transmission
Drainage
Drainage System Upgrades
Dry Land Diving Facility
Durand Knob, Tube & Misc. Scope and Design
Edwards Seismic Retrofit
El Camino Swale Rehab
Electric Motor Replacement
Electric Vehicle Service Equipment Expansion Project
Electrical Smart Meters
Electrical Upgrade Backlog Scope & Design
Electricity Metering Projects
Electronic Communications Hub (ECH)/Enterprise Data Center Cable & Conduit
Electronic Communications Hub Improvement & Expansions - East Campus
Elevator Upgrade
Elevators
Emergency Generators and Fueling Project
Emergency Management & Control Systems (EMCS)
Energy Retrofit Program
Energy Retrofit Program - Medical School of Business Air Handler
Energy Retrofit Program Heating, Ventilation and Air Conditioning Upgrades at
Arillaga Center for Sports and Recreation
Energy Retrofit Program Heating, Ventilation and Air Conditioning Upgrades at
Arillaga Family Sports Center
Energy Retrofit Program-Maples Control System
Escondido Road Lake Water
Escondido South Hot Water Line
Escondido South Interiors Reno
Escondido Village Barnes Sprinkler, Roof & Miscellaneous
Escondido Village Graduate Residences and Parking Garage
Escondido Village High-rise Sprinklers Installation
Escondido Village Hulme Midrise Renovation
Escondido Village Low-Rise Fire Alarm
Escondido Village Site Lighting
Escondido Village Slab Heat Renovation
Escondido Village Slab Replacement
Exterior Backlog Scope & Design
Exterior Backlog Stern Windows
Fiber cables
Fire Alarms
Forsythe Fiber and Managed Machine Room Switch
Freidenrich Center for Translation Research
Fremont Road Longitudinal Welded Pipe Upgrade
French Knob, Tube & Misc. Scope and Design
Furniture Fixture & Equipment (FF&E) & Vehicles

Galvez Mall Lake Water Pipe
Galvez Street Storm Drain Upgrade
Garbage Disposal Code Upgrades and Grease Containment
Gender-Neutral Restroom Conversions
General Use Permit (GUP) Mitigation Projects
Governor's Corner Interim improvement
Governor's Corner Renovation
Graduate School of Business Bio-Retention Renewal
Grove Life Safety and Code Compliance and Miscellaneous Upgrades
Heating, Ventilation, and Air Conditioning (HVAC)
Highland Hall (formerly, Stanford Graduate School of Business Graduate Residences, formerly Graduate School of Business Housing Expansion)
High Voltage Cable Replacement
High Voltage (HV) Infrastructure Upgrade and HV Transmission System Improvements
High Voltage Replacements
High Voltage Supervisory Control and Data Acquisition (SCADA) Upgrades
Hoskins Sprinkler, Living/Learning, Security Upgrade
Hot Water Pipe Via Ortega, Via Pueblo
Information Technology & Communication Systems
Information Technology System (ITS) Communications Cable
Information Technology System (ITS) Communications Conduit
Information Technology System (ITS) Conduit - Conduit to Scientific Research Computing Facility
Information Technology System (ITS) Fiber to Scientific Research Computing Facility @ SLAC
Information Technology System (ITS) Improvements
Information Technology System (ITS) Networking Systems Cable
Infrastructure Improvements
Infrastructure Upgrade
Infrastructure Upgrade Lagunita
Interiors Backlog Hammarskjold
Interiors Backlog Scope & Design
Interiors Backlog Toilet Retrofits Hulme
Interiors Backlog Toilet Retrofits Phi Sigma
Interiors Backlog Toilet Retrofits Synergy
Irrigation System Upgrade
ITS Conduit for New Northwest Data Center and Communications Hub
ITS Conduit: New Windhover
ITS Conduit: New Bass Building
ITS Conduit: Porter Drive
ITS Copper: AT&T Minimum Point Of Entry Copper
ITS Copper: New Manzanita Residences
ITS Copper: New McMurtry Building
ITS Fiber for New Northwest Data Center and Communications Hub
ITS Fiber: Beckman - Fairchild

ITS Fiber: Forsythe-Polya
ITS Fiber: Jenkins - Mirrielee
ITS Fiber: Jenkins to Rains
ITS Fiber: Maples to Police Compound
ITS Fiber: Medical Electronic Communications Hub to Beckman
ITS Fiber: New Manzanita Residences
ITS Fiber: New McMurtry Building
ITS Fiber: Northwest Data Center and Communications Hub to Puichon
ITS Fiber: Press Electric Communication Hub Reinforcements
ITS Fiber: Quad Electric Communication Hub-Aero/Astro
ITS Fiber: Quad Electric Communication Hub-Li Ka Shing Center
ITS Fiber: Sunken Diamond
ITS Fiber: West Electronic Communications Hub - Pine Hall
ITS Fiber: Stadium to Maples
ITS Fiber: East Electric Communications Hub-Bonair Electric Communication Hub
ITS Fiber: East Electric Communications Hub-Jenkins Electric Communications Hub
ITS Fiber: Haas 0.1 to Mayfield
ITS Fiber: Medical Electric Communication Hub Reinforcement
ITS Fiber: Northwest Data Center Communications Hub Electric Communications Hub to Beckman
ITS Fiber: Press Electric Communications Hub-Bldg 02-500
Jen-Hsun Huang Engineering Center
Junipero Serra Boulevard Lake Water Lake Lagunita to Campus East
Junipero Serra Boulevard Lake Water Replacment Fremont to Lake Lagunita
Kairos Knob, Tube & Misc. Scope and Design
Knight Management Center
Knob, Tube & Misc. Scope and Design Projects
Lagunita Bathrooms Upgrade
Lagunita Court Refurbishment
Lagunita Lakeside Patio Pergola
Lake Water Filtration
Lake Water Supervisory Control and Data Acquisition
Lasuen Knob & Tube & Misc. Upgrades Scope and Design
Li Ka Shing Center for Learning & Knowledge
Life Safety and Code Compliance and Miscellaneous Upgrades
Life Safety and Code Compliance Backlog
Life Safety and Code Compliance Backlog - Haus Mitteleuropa
Life Safety and Code Compliance Backlog - Synergy
Life Safety and Code Compliance Fire Alarms
Life Safety and Code Compliance Fire Alarms - STERN BURBANK
Life Safety and Code Compliance - Fire Alarms-STERN DONNER
Life Safety and Code Compliance-Fire Alarms-STERN LARKN N
Life Safety and Code Compliance-Fire Alarms-STERN LARKN W
Life Safety and Code Compliance-Fire Alarms-STERN SERRA

Life Safety and Code Compliance-Fire Alarms-STERN TWAIN E
Life Safety and Code Compliance-Fire Alarms-STERN TWAIN N
Life Safety and Code Compliance-Fire Alarms-STERN ZAPATA
Life Safety and Code Compliance - Fire Sprinklers
Life Safety and Code Compliance Fire Sprinklers - FRENCH HOUSE
Life Safety and Code Compliance Fire Sprinklers - BARNES
Life Safety and Code Compliance Fire Sprinklers - Escondido Village Center
Life Safety and Code Compliance Fire Sprinklers - HULME
Life Safety and Code Compliance Fire Sprinklers - MIRRIELEES
Life Safety and Code Compliance Fire Sprinklers - SAE
Living/Learning Upgrades
Loading Docks
Lorry I Lokey Stem Cell Research Building
Manzanita Park Refurbishment
Manzanita Undergraduate Dormitory (formerly New Manzanita Undergraduate Dormitory)
Manzanita, Graduate School of Business Housing, Schwab Hot Water
Mars Knob, Tube & Misc. Scope and Design
McCullough Energy Efficiency
Mechanical, Electrical and Plumbing, Sewer & Exterior Infrastructure
Meters & Backflow Preventer
Meters and Backflows
Miranda Avenue Domestic Water System Reconfiguration
Miranda Domestic Water Upgrade
Muwekma Life Safety and Code Compliance and Miscellaneous Upgrades
Network Taps
Network-Backbone
Networking Load Balancer System
Networking Special Projects
New Buildings
New Dining & Kitchens and Renovations
New Residences at Lagunita Court (formerly Lagunita Court Addition)
New Water Well #3
New Wells & Rehabilitations
Northwest Data Center and Communications Hub
Northwest Data Center and Communications Hub Computer Cabinet Buildout
On Campus Photovoltaics
Outdoor Lighting LED Retrofit
Panama Street Utility Relocation
Paul Allen Building Annex Distributed Digital Control Upgrade
Paul Allen Building Distributed Digital Control Upgrade
Phi Psi Knob, Tube & Misc. Scope and Design
Photovoltaics Power Generation
Pump Stations
Rains Houses Renovation
Recycled Water System

Refrigerant Leak Alarm System
Renovation /Refresh-Escondido Village South Interiors
Renovations and Seismic Projects
Replacement Boiler Plant
Replacement Central Energy Facility Site Camera and Card Reader Addition
Research Animal Facility 1 and Research Animal Facility 2 Rehabilitation & Retrofit
Residential & Dining Enterprise (R&DE) Deferred Maintenance Backlog projects
Residential & Dining Enterprise (R&DE) Major Renovation Plan (formally Capital Project Program (CPP) and Capital Improvement Program (CIP))
Residential Computing Wireless
Roads
Roble Dining Hall Expansion
Roble/Lagunita Outdoor Dining Enhancements
Roof Replacement
Roofs and Maintenance Equipment Backlog Construction Stern
Roofs and Maintenance Equipment Backlog Scope & Design
Roofs and Maintenance Equipment Backlog- Synergy
Roth Knob, Tube & Misc. Scope and Design
Row House Kitchen Replacements
Row House Knob/Tube & Miscellaneous Upgrade
Row House Renovations
Row Kitchen Renovations
Salvatierra St Domestic Water Replacement
San Juan Hill Drainage Improvements
San Juan Reservoir Rehabilitation
Sanitary Sewer Rehabilitation
Science Teaching and Learning
Scientific Research Computing Facility - Backbone and Firewall Refresh
Scientific Research Computing Facility "Uplift" Racks Refresh
Sewer and Domestic Water Line Replacement
Sewer Replacement - Galvez
Shriram Center for Bioengineering and Chemical Engineering
Siebel Golf Practice Remodeling
Sigma Nu Knob, Tube & Misc. Scope and Design
Site Improvements
Slab Heating Replacement
Slavianski Dom Life Safety and Code Compliance and Miscellaneous Upgrade
Software Systems
Special Fast Track Cable
Stadium Field House
Stanford Ave Storm Drain Replacement
Stanford CheM-H and the Stanford Neurosciences Institute (SNI) (formerly Chemical Biology/Neurosciences)
Stanford Energy System Innovation & High Voltage Substation
Stanford Energy System Innovation Piping & Building Conversion

Stanford in Redwood City
Stanford Infrastructure Program (SIP)
Steam Metering
Stern Hall Window Replacement
Stern Larkin Resident Fellow Apartment Expansion/Reconfiguration/Renovation
Stern-Twain Resident Fellow Apartment Expansion and Renovation
Storm Drain Improvements
Storm Drainage
Supervisory Control and Data Acquisition (SCADA) System Upgrade
Sweet Hall/Galvez Lake Water Upgrade
Trails
Undergraduate Housing and Dining
Underground Utilities Infrastructure Improvements
Uninterruptable Power Supply (UPS)
University Terrace (previously named California Avenue Homes)
Utility Metering, Billing, Reporting and Sustainability Systems Integration
Utility Upgrades Site & Safety Improvements
Waste Collection System
Water Conservation & Recycling Plan Implementation
Water Conservation Program
Water Mains
Water Wells Rehabilitation
Well 3R Electrical Upgrade
West Campus Detention Facilities
Whole Building Energy Retrofit Program (WBERP)
Whole Building Energy Retrofit Program (WBERP) – Mechanical Engineering
Research Lab (MERL)
Whole Building Energy Retrofit Program (WBERP) - Varian
William H. Neukom Building (Law School Clinics & Faculty Office Building)
Wireless Access Points for Central Energy Facility and Substation
Wireless Infrastructure
Wiremold Replacement
Yang & Yamazaki Environment and Energy Building