

BOARD OF GOVERNORS
Rutgers, The State University of New Jersey

Wednesday, August 31, 2022
2:30 p.m. - open session

Tentative Agenda

1. CALL TO ORDER
2. STATEMENT OF COMPLIANCE WITH THE OPEN PUBLIC MEETINGS ACT
3. ROLL CALL
4. COMMITTEE ON FINANCE AND FACILITIES – August 29, 2022
 - a. Proposed Omnibus Resolution Regarding the Summer 2022 Solicitation Cycle for the State of New Jersey Higher Education Capital Facilities Grant Funding Programs
5. ADJOURNMENT



**PROPOSED OMNIBUS RESOLUTION
REGARDING THE SUMMER 2022 SOLICITATION CYCLE FOR
THE STATE OF NEW JERSEY HIGHER EDUCATION
CAPITAL FACILITIES GRANT FUNDING PROGRAMS**

WHEREAS, in June 2022, the New Jersey Office of the Secretary of Higher Education issued application instructions for New Jersey higher education institutions interested in obtaining grants offered by the State of New Jersey through the following programs: (i) the Higher Education Capital Improvement Fund (“CIF program”), (ii) the Higher Education Facilities Trust Fund (“HEFT program”), (iii) the Higher Education Technology Infrastructure Fund (“HETI program”), and (iv) the Higher Education Equipment Leasing Fund (“ELF program”) (collectively these programs are hereinafter referred to as the “HE Facilities Programs”); and

WHEREAS, on August 29, 2022, the Rutgers Board of Governors’ Committee on Finance and Facilities discussed the HE Facilities Programs and thirty-six (36) different facilities and equipment upgrade projects in the planning stages across Rutgers’ several campuses that were identified by management as projects that would qualify for and benefit from grants provided by the HE Facilities Programs (each a “Project” and collectively, the “Projects”); and

WHEREAS, Rutgers, The State University of New Jersey (“Rutgers”), has determined that the Projects will assist in serving the needs of its students and that each Project will provide a benefit to Rutgers; and

WHEREAS, in order to provide maximum flexibility and the most efficient borrowing costs, Rutgers is interested in obtaining grants from the State of New Jersey through the HE Facilities Programs described above to finance or partially finance the costs of the Projects and may also partially finance the Projects through issuance of taxable or tax-exempt bonds issued by Rutgers, taxable or tax-exempt commercial paper issued by Rutgers (collectively, “Rutgers Debt”), or any other funds otherwise available to Rutgers; and

WHEREAS, the Projects are listed on the attached Project Summary and Exhibit (“Project List”) which indicates for each Project the estimated total cost and which HE Facilities Program Rutgers intends to apply for, subject to any changes, or reassignment to another HE Facilities Program as described herein; and

WHEREAS, this Resolution hereby memorializes Rutgers’ commitment to undertake and satisfy all HE Facilities Program requirements as describe herein, approve each application being submitted to the Secretary of Higher Education (“Secretary”) for each Project in conjunction with this Resolution, and to designate and authorize certain officers of Rutgers to take all necessary and desirable actions to submit such applications and perform such covenants and requirements in connection with the HE Facilities Programs and to accomplish the complete financings for each of the Projects; and

WHEREAS, Rutgers understands that the State of New Jersey or Secretary may, upon their own initiative for any given Project, elect to award grants under a different HE Facilities Program than the specific HE Facilities Program applied to for such Project, and, accordingly, on August 29, 2022, the Committee on Finance and Facilities discussed the possibility that the State of New Jersey or Secretary may re-assign grant proceeds from one HE Facilities Program to another, and if that were to occur, Rutgers’ Project applications as listed in the attached Project List may not match the grant money

awarded by the State of New Jersey, and, accordingly the Committee recommended that the Board of Governors of Rutgers, The State University of New Jersey, expressly memorialize, in this Resolution, Rutgers' commitment to undertake the appropriate steps as may be required under the applicable HE Facilities Program ultimately awarded to Rutgers' Projects in the event the State of New Jersey does re-assign grant proceeds; and

WHEREAS, for any Project that may be partially financed with tax-exempt bonds or commercial paper issued by Rutgers, or any other debt bearing interest which is exempt from gross income for federal tax purposes ("Rutgers Tax-Exempt Debt"), Rutgers expects to reimburse expenditures for costs of such Projects paid prior to the issuance of such Rutgers Tax-Exempt Debt with the proceeds of such Rutgers tax-Exempt Debt.

NOW, THEREFORE, BE IT RESOLVED by the Board of Governors of Rutgers, The State University of New Jersey ("Board"), upon the recommendation of the Committee on Finance and Facilities as follows:

SECTION 1. The Projects listed in the attached Project List are all hereby approved at the maximum costs designated for each Project.

SECTION 2. The financing for each Project through the HE Facilities Program designated for each Project (or, in the event the State of New Jersey or Secretary awards a grant to a Project through a different HE Facilities Program, than the HE Facilities Program so awarded) is hereby approved.

SECTION 3. The Board hereby approves each application for funding for each Project to the HE Facilities Program listed in the attached Project List and authorizes and directs the Designated Officers (defined below) to submit such applications to the Secretary with such changes, modifications and additions as are approved by the Designated Officers and such changes, modifications and additions shall be conclusively evidenced by the submission of the applications to the Secretary.

SECTION 4. The Board acknowledges and agrees that the approvals of the applications and receipt of funds pursuant to the HE Facilities Programs will obligate Rutgers to, as applicable (a) provide funds for the annual operating costs and maintenance of the Projects, (b) contribute to the cost of the Projects, and for Projects applying to the HETI program, contribute costs as shown on the attached Project List, (c) pay all or a portion of debt service on any Rutgers Debt issued to fund applicable Projects, (d) use any funds from the HEFT program to advance Rutgers' long range facilities plans, (e) pay at least one-third (1/3) of the debt service on CIF program grants, and (f) fulfill all other conditions imposed under the HE Facilities Program(s) and hereby directs and authorizes the Designated Officers to certify such acknowledgements and agreements as part of the submitted applications. The Designated Officers are hereby authorized and directed to fulfill all conditions of the HE Facilities Program(s) including without limitation providing for the operation and maintenance of each Project, using available funds of Rutgers to pay for such operation and maintenance, and satisfying other conditions of the HE Facilities Programs to contribute to the cost of Projects and/or debt service on Rutgers Debt or any other debt issued to fund applicable Projects from available funds of Rutgers.

SECTION 5. The Board further authorizes the financing of all or any portion of the Projects with Rutgers Debt and other funds available to Rutgers and through a financing structure determined to be most economically advantageous to Rutgers for each Project by the Designated Officers or their designees. The Designated Officers are expressly authorized and directed to determine such financing structure for each Project provided that the financing structure includes utilization of the HE Facilities Programs which are approved by the Secretary for financing each Project.

SECTION 6. The Rutgers administration, acting through the Executive Vice President – Chief Financial Officer and University Treasurer, or the Executive Vice President and Chief Operating Officer

(each a “Designated Officer”), with advice from the Chair of the Committee on Finance and Facilities and the Senior Vice President and General Counsel, as well as the Secretary of the University (together with the Designated Officers and their designees, the “Authorized Officers”) are each hereby authorized and directed to approve, execute and deliver any and all agreements necessary to undertake, implement and finance the Projects and any and all other financing documents and instruments in the form approved by the Authorized Officers executing the same in the name of and on behalf of Rutgers, in as many counterparts as may be necessary, and to affix or impress the official seal of Rutgers thereon and to attest the same and such execution and attestation will be conclusive evidence of the approval of the form and content of such agreements and other documents and instruments necessary to undertake, implement and finance the Projects and to pay financing costs including through the financing thereof. The Authorized Officers are further authorized and directed to do and perform such other acts and to take such other actions as may be necessary or required, or which may be deemed to be appropriate to implement the purposes of this Resolution to undertake, implement and finance the Projects and financing costs and the payment and/or repayment thereof.

SECTION 7. This Resolution is a declaration of the official intent of Rutgers that Rutgers reasonably expects and intends to reimburse expenditures for costs of the Projects paid prior to issuance Rutgers Tax-Exempt Debt issued to fund the Projects in accordance with Treasury Regulation Section 1.150-2 and that the maximum principal amount of the Rutgers Tax-Exempt Debt expected to be issued to finance costs of the Projects including amounts to be used to reimburse expenditures for such costs paid prior to the issuance of the such Rutgers Tax-Exempt Debt is the total aggregate amount of financing shown on the attached Project List for the Projects that is not grants from the HE Facilities Programs.

SECTION 8. All resolutions, orders, and other actions of the Board in conflict with the provisions of this Resolution to the extent of such conflict are hereby superseded, repealed or revoked.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately; and

BE IT FINALLY RESOLVED, that no further approvals by the Board are necessary to implement this Resolution.

Board of Governors
Rutgers, The State University
of New Jersey
August 31, 2022