ACTION ITEM:  Issuance of Special Obligation Bonds for the North and South Spencer Residence Hall Improvements Project

BACKGROUND INFORMATION:

The 2000 Session of the North Carolina General Assembly passed a bill that allows UNC institutions to issue debt under the Board of Governors that is secured by the revenues of the institution except for tuition, state appropriations and restricted funds. This results in a lower interest rate since multiple revenue streams are designated for repayment.

The General Assembly has approved this project:

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
<th>Bond Issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>North and South Spencer Residence Hall Improvements</td>
<td>$5,978,000</td>
<td>$3,800,000</td>
</tr>
</tbody>
</table>

Financing for the project must be obtained through the issuance of bonds that will be repaid from Housing revenues.

The legislation that allows the Board of Governors to issue Special Obligation Bonds requires the beneficiary institution’s Board of Trustees to approve their issuance.

REQUIREMENT:

In accordance with the legislation contained in North Carolina General Statutes concerning the issuance of Special Obligation Bonds, action is needed by the Board of Trustees to approve the issuance of these bonds.

RECOMMENDED ACTION:

That the Board of Trustees of The University of North Carolina at Greensboro approve the resolution on the following page.

______________________________
Reade Taylor
Vice Chancellor for Business Affairs

(Continued Next Page)
WHEREAS, under Article 3, Section 116D General Statutes of North Carolina (the “Act”) the Board of Governors (the “Board of Governors”) of the University of North Carolina (the “University”) may issue special obligation bonds and bond anticipation notes, in anticipation of the issuance of special obligation bonds, payable from obligated resources to pay the costs of acquiring, constructing or providing a special obligation project at one of the constituent institutions of the University or refunding any obligations previously issued by the Board of Governors;

WHEREAS, The University of North Carolina at Greensboro will request the Board of Governors to issue a series of bonds to be known as “The University of North Carolina at Greensboro General Revenue Bonds” (the “Bonds”), the proceeds of which will be applied to improvements to North and South Spencer Residence Hall on The University of North Carolina at Greensboro campus, authorized by Chapter 204 of the 2008 Session Laws of the North Carolina General Assembly (the “Special Obligation Project”);

WHEREAS Section 116D-26(b) of the Act requires the Board of Trustees of The University of North Carolina at Greensboro to approve the issuance of Bonds for the Special Obligation Project;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of The University of North Carolina at Greensboro as follows:

Section 1. Approval of Issuance of Bonds. The issuance of Bonds for the Special Obligation Project is approved.

Section 2. Effective Date. This Resolution is effective immediately.

ADOPTED AND APPROVED this 20th day of November, 2008.

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO

By: _________________________________

Secretary
STATE OF NORTH CAROLINA  )  
)  ss:  
COUNTY OF GUILFORD  )  

I, _________________________, the duly elected Secretary of the Board of Trustees of
The University of North Carolina at Greensboro, DO HEREBY CERTIFY that (1) the foregoing
is a full, true and correct copy of the Resolution adopted by the Board of Trustees of The
University of North Carolina at Greensboro at its regular meeting of November 20, 2008 and
appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Trustees of
The University of North Carolina at Greensboro held on November 20, 2008 was sent to each
member of the Board, and (3) a quorum was present at the meeting on November 20, 2008 at
which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of The University of North Carolina at Greensboro this___ day of November, 2008.

[SEAL]  

________________________________
Secretary