Approval to Amend Resolution to Modify Funding Source Authorization for the Flex Lab Facility

At its May 2014 stated meeting, the Board of Trustees adopted an omnibus resolution that authorized and approved various engineering research lab projects, including the Flex Lab Facility project (the “Flex Lab Facility Project”).

In the authorizing resolution for the Flex Lab Facility Project, the Treasurer was granted the authority to advance the project for a total Authorized Cost Level of $54,000,000; however, the resolution specified that the sources of funds to be used to comprise this amount would be as follows:

“up to $38,000,000 of proceeds from bonds or other obligations, up to $13,500,000 of gift funds, and up to $2,500,000 of Central Reserve funds.”

The proposed resolution is intended to create more flexibility for the Treasurer and the Assistant Treasurer to use different amounts from among the authorized funding sources while keeping the overall authority for the Flex Lab Facility Project within the total Authorized Cost Level. If used, this flexibility would, for example, allow the University to deploy for other purposes monies that would otherwise have been budgeted for debt service on the bonds.
AMENDED RESOLUTION OF THE BOARD OF TRUSTEES
OF THE TRUSTEES OF PURDUE UNIVERSITY
TO MODIFY FUNDING SOURCE AUTHORIZATION
FOR THE FLEX LAB FACILITY

WHEREAS, by a resolution adopted on May 16, 2014 (the “Prior Resolution”), the Board of Trustees (the “Board”) of the Trustees of Purdue University (the “Corporation”) authorized and approved various engineering research lab projects, including the Flex Lab Facility project (the “Flex Lab Facility Project”); and

WHEREAS, in the authorizing resolution for the Flex Lab Facility Project, the Treasurer was granted the authority to advance the project for a total Authorized Cost Level of $54,000,000, but using specific funding sources that were prescribed as follows: “up to $38,000,000 of proceeds from bonds or other obligations, up to $13,500,000 of gift funds, and up to $2,500,000 of Central Reserve funds;” and

WHEREAS, the Board desires to afford the Treasurer and the Assistant Treasurer with greater flexibility to use different amounts from among the authorized funding sources while keeping the overall authority for the Flex Lab Facility Project within the total Authorized Cost Level:

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The Board hereby finds that it is advisable and in the best interests of the Corporation and Purdue University to modify the Prior Resolution to grant more flexibility to the Treasurer and the Assistant Treasurer in determining the sources of funds that are to be used to complete the Flex Lab Facility Project within the Authorized Cost Level.

2. Paragraph 11 of the Prior Resolution is hereby amended and restated to read in its entirety as follows:

“11. In order to provide funds with which to accomplish the Flex Lab Facility Project, the Treasurer and the Assistant Treasurer of the Corporation, and each of them, are hereby authorized, under the authority of these resolutions, and without the need for further authorization from this Board, to use the following sources of funds: (i) proceeds from bonds or other obligations in an amount up to $38,000,000; and (ii) gift funds and Central Reserve funds in any amount and in any combination deemed prudent and appropriate by the Treasurer and the Assistant Treasurer; provided, that in no event shall the amount of proceeds from such bonds or other obligations, if any, when combined with the total amount of such gift funds and Central Reserve funds, exceed a total Project cost of up to $54,000,000 (the ‘Authorized Cost Level’).”