

Meeting of the Board  
**PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY**  
June 21, 2012  
**Room 113 East Wing**  
Harrisburg, Pennsylvania  
10:49 a.m. Prevailing Time

MINUTES

1. Call to Order, Filing of Proof of Sunshine Notice and of Sending Notice of the Meeting, Roll Call and Announcement of Quorum.
2. Appointment of an Executive Director.
3. Approval of the Minutes of the Meeting of May 24, 2012.
4. Approval of Projects.
  - A. Resolution Authorizing the Undertaking of a Project on Behalf of the University of the Sciences in Philadelphia.
  - B. Resolution Authorizing the Undertaking of a Project on Behalf of Thomas Jefferson University.
  - C. Resolution Authorizing the Execution and Delivery of a Supplemental Trust Indenture and a Supplemental Loan Agreement in Connection with the Association of Independent Colleges and Universities of Pennsylvania Financing Program – Messiah College Project, Series 2001 I4.
5. Old Business.
6. New Business.
7. Adjournment.

**1. CALL TO ORDER, FILING OF PROOF OF SUNSHINE NOTICE AND OF SENDING NOTICE OF THE MEETING, ROLL CALL AND ANNOUNCEMENT OF QUORUM.**

With a quorum of the Board being present, the meeting of the Board of the State Public School Building Authority was called to order on Thursday, June 21, 2012 at 10:49 a.m. prevailing time, in Room 113 East Wing, Harrisburg, Pennsylvania. The proof of the Sunshine advertisement and certification in regard to sending the notice of meeting is attached to these minutes and identified as Appendix "A".

**Board Members Present**

Rick Dreher, (Proxy for Governor Thomas W. Corbett)  
Senator Jeffrey E. Piccola  
Eileen Flinn, (Proxy for Senator Andrew E. Dinniman)  
Representative John C. Bear  
Alan Cohn, (Proxy for Representative Anthony M. DeLuca)  
Christopher Craig, (Proxy for State Treasurer Robert M. McCord)  
Christal Pike-Nase, (Proxy for Auditor General Jack E. Wagner)  
Secretary of General Services Sheri L. Phillips  
Nicole Duffy, (Proxy for Secretary of Education Ronald J. Tomalis)

**Authority Personnel Present**

Robert Baccon, Assistant Executive Director  
David Player, Comptroller  
Beverly Nawa, Administrative Officer

**Also Present**

William McCarty, Esquire, Hartman Underhill & Brubaker LLP  
Stephen Tuckey, General Counsel, Office of the Republican Leader House of Representatives  
Karen Seivard, Counsel to the Senate Education Committee  
Dave Transue, Office of Senator Piccola  
Jennifer Langan, Deputy Chief Counsel, Treasury Department

**Participated Via Conference Call**

Margaret Angel, Esquire, Buchanan Ingersoll & Rooney PC  
Joseph Trainor, Senior Vice President for Finance & CFO, University of the Sciences  
Ted Matozzo, Vice President, Bank of America Merrill Lynch  
Adam Gentzel, Vice President, Bank of America Merrill Lynch  
Al Salvato, CIO & Treasurer, Thomas Jefferson University  
Barbara Beckman, Esquire, Ballard Spahr LLP

## **2. APPOINTMENT OF AN EXECUTIVE DIRECTOR.**

Chairperson Dreher explained that on behalf of Governor Corbett, he would like to nominate Robert Baccon, Assistant Executive Director to permanently fill the position of Executive Director of SPSBA.

Mr. Baccon has served as the Assistant Executive Director of both SPSBA and PHEFA since 1984. He is a graduate of St. John's University with a bachelor's degree in management, and holds a master's degree in international business from the Columbia University Graduate School of Business. Prior to his present post, Mr. Baccon held financial management positions with multinational U.S. corporations and was Vice President of Finance for a major highway construction contractor.

It is recommended that the following Resolution be adopted:

RESOLVED That Robert Baccon be and is hereby appointed Executive Director of the Pennsylvania Higher Educational Facilities Authority effective as of June 21, 2012.

Upon **MOTION** by **Representative Bear**, and **SECONDED** by **Secretary Phillips**, and after full discussion, the above Resolution was approved at the PHEFA Board Meeting of June 21, 2012.

Mr. Baccon thanked the Board. He appreciated the Board's confidence in him and he will do his best to continue the work that we have been doing for a long time.

## **3. APPROVAL OF THE MINUTES OF THE MEETING OF MAY 24, 2012.**

A copy of the minutes of the meeting of May 24, 2012, was e-mailed to the Board Members prior to this meeting. It is therefore recommended that consideration be given to the adoption of the following Resolution:

RESOLVED That the minutes of the PHEFA meeting of May 24, 2012, be and hereby are approved as presented.

Upon **MOTION** by **Secretary Phillips**, and **SECONDED** by **Ms. Flinn**, and after full discussion, the above Resolution was approved at the PHEFA Board Meeting of June 21, 2012.

#### **4. APPROVAL OF PROJECTS.**

##### **A. Resolution Authorizing a Project on Behalf of the University of the Sciences in Philadelphia.**

Mr. Baccon explained that the University of the Sciences in Philadelphia has requested that we issue a maximum of \$31,000,000 in Revenue Bonds to finance the construction of a new addition to the University's Science and Technology Center. Proceeds will also be used for the expansion of the University's central utility plant and certain other capital improvements and renovations.

The University has selected Merrill Lynch, Pierce, Fenner & Smith as the Underwriter for this issue and The Bank of New York Mellon Trust Company has been selected to serve as the Trustee. At the request of the University, the Office of General Counsel has appointed Fox Rothschild as the Bond Counsel for this issue.

The Resolution in your agenda approves all of the actions necessary in connection with the issuance of the Bonds.

Joseph Trainor, Senior Vice President for Finance and CFO of the University and Ted Matozzo from Merrill Lynch are participating by conference call to answer any questions board members may have.

Chairperson Dreher asked if Board Members had any comments or questions, and hearing none, he asked for a motion to adopt the Resolution.

**RESOLUTION OF THE  
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY  
AUTHORIZING  
THE UNDERTAKING OF A PROJECT ON BEHALF OF THE  
UNIVERSITY OF THE SCIENCES IN PHILADELPHIA  
SERIES OF 2012**

**DOCKET NO. 625**

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. The Pennsylvania Higher Educational Facilities Authority (the “Authority”) shall undertake a project (the “Project”) on behalf of the University of the Sciences in Philadelphia (the “University”) generally anticipated to consist of the financing (including reimbursing the University for costs of the Project incurred prior to the issuance of the Bonds authorized hereunder) of the following components: (i) construction of a new 55,000 square foot addition to the University’s Science and Technology Center, which will house the University’s new Physician Assistant and Speech Pathology programs, as well as additional space for other programs, (ii) expansion of the University’s central utility plant to provide heating and cooling to the addition to the Science and Technology Center as well as other buildings, (iii) financing certain other capital improvements and renovations, (iv) funding reserves, if required, and capitalized interest during construction, and (v) funding the costs of issuing the Bonds.

2. In order to finance the Project, the Authority will enter into a supplement to its existing Trust Indenture, dated as of January 1, 2005, between the Authority and The Bank of New York Mellon Trust Company, N.A. as successor bond trustee (the “Trustee”), as supplemented and amended (collectively, the “Indenture”). The Authority shall issue up to \$31,000,000 (such amount not including original issue premium or discount) in aggregate principal amount of bonds in one or more series (which may be issued on the same or different dates) to be designated “Pennsylvania Higher Educational Facilities Authority University of the Sciences in Philadelphia Revenue Bonds, Series of “ with the appropriate year and alphabetical series designation, as applicable (the “Bonds”). The Bonds shall have a term not to exceed 40 years and shall bear interest at a fixed rate acceptable to the University, shall mature in such principal amounts and at such times, and shall be subject to redemption, all as approved by the Executive Director or Assistant Executive Director of the Authority in consultation with the University and further provided in a Bond Purchase Agreement hereinafter defined.

The Bonds shall be issued in such denominations and form and under such terms as shall be set forth in a supplement to the Indenture and approved by the Executive Director or Assistant Executive Director. The execution of the Bonds with the manual or facsimile signature of the President of the Authority or other authorized officer together with a manual or facsimile of the official seal of the Authority and the attestation thereof by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority is hereby authorized. The Executive Director or Assistant Executive Director of the Authority is hereby

authorized and directed to deliver the Bonds to the Trustee for authentication and to execute and deliver instructions to the Trustee to deliver the Bonds when so authenticated, on behalf of the Authority, to or upon the order of the purchaser thereof against receipt of the purchase price together with any accrued interest, all in accordance with the requirements of the Indenture.

3. The proceeds from the sale of the Bonds shall be loaned to the University pursuant to the terms of the Loan and Security Agreement between the Authority and the Trustee, dated as of January 1, 2005, as amended and supplemented (collectively, the "Loan Agreement").

4. The President, any Vice President, the Executive Director or the Assistant Executive Director is hereby authorized to negotiate with the underwriter hereinafter appointed for an acceptable proposal for the purchase of the Bonds issued hereunder, to enter into a purchase agreement (the "Bond Purchase Agreement") for such purpose in accordance with the terms of this resolution and the President, any Vice President, the Executive Director or the Assistant Executive Director is hereby authorized to execute and deliver the Bond Purchase Agreement on behalf of the Authority and to take such further action as may be required or proper to carry out the obligations of the Authority thereunder.

5. The Authority does hereby authorize the execution and delivery of any documents to which the Authority is a party and which are required to be executed and delivered in connection with the financing of the Project and the issuance of the Bonds authorized hereunder, provided that all such documents shall be in such form as shall be acceptable to Bond Counsel and as shall be approved by the Executive Director or Assistant Executive Director of the Authority and Authority Counsel, and where necessary, approved by the Office of General Counsel and the Attorney General of the Commonwealth.

6. The President, any Vice President, the Executive Director or the Assistant Executive Director of the Authority shall be, and each of them is hereby, authorized and directed to execute, acknowledge and deliver in the name of and on behalf of the Authority, and the Secretary or Assistant Secretary of the Authority shall be and each of them is hereby authorized and directed to attest and affix the official seal of the Authority to each of the aforesaid documents. The execution of the aforesaid documents as hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of the forms of said documents.

7. The form of a preliminary official statement and final official statement which may be used in connection with the sale and issuance of the Bonds shall be approved by the Executive Director or Assistant Executive Director of the Authority with the advice of Bond Counsel and Authority Counsel. The Executive Director or Assistant Executive Director each shall be and hereby is authorized and directed to execute any such final official statement, and such execution by the Executive Director or Assistant Executive Director of the Authority shall constitute conclusive evidence of the Authority's approval of the form of such document. The underwriter is hereby authorized to circulate and distribute copies of any such documents in connection with the offering of the Bonds.

8. The Bank of New York Mellon Trust Company, N. A. shall be and hereby is authorized to act as Trustee under the Indenture in connection with the issuance of the Bonds and Merrill Lynch, Pierce, Fenner & Smith Incorporated is hereby appointed and authorized to act as underwriter for the Bonds. At the request of the University, the Office of General Counsel has appointed Fox Rothschild LLP as the Bond Counsel for this issue.

9. The appropriate officers of the Authority are hereby authorized to take such further action and to execute any and all other documents and certificates, in addition to those specified above, as shall be required in connection with the issuance of the Bonds and the implementation of these resolutions.

10. The appropriate officers of the Authority, including the President, the Vice President, the Executive Director and the Assistant Executive Director are, and each of them is, hereby authorized to approve, and to execute and deliver any supplement, amendment or agreement (an "Amendment") providing for any amendment or other change to any trust indenture, loan agreement, bond, instrument or other document executed and delivered with respect to the financing of the Project (collectively, the "Bond Documents") requested by the University and approved by all other necessary parties, provided that (a) the officer executing the Amendment shall have determined that the Amendment will not adversely affect the Authority, such determination to be conclusively evidenced by such officer's execution of the Amendment and (b) the Authority shall have received an opinion of counsel in form and substance satisfactory to the Authority that (i) the Amendment is permitted under the Act and the Bond Documents, and (ii) the Amendment will not adversely affect the excludability from gross income of interest on the Bonds for purposes of federal income taxation.

11. This Resolution shall take effect immediately. All prior resolutions, to the extent inconsistent with this Resolution, are hereby repealed.

Upon **MOTION** by **Ms. Pike-Nase**, and **SECONDED** by **Ms. Flinn**, and after full discussion, the above Resolution was approved at the PHEFA Board Meeting of June 21, 2012.

**EXHIBIT A**

**UNIVERSITY OF THE SCIENCES IN PHILADELPHIA**

<b><u>Docket Number</u></b>	<b><u>County</u></b>	<b><u>Project Description</u></b>	<b><u>Maximum Amount to be Financed</u></b>
625	Philadelphia	The financing (including reimbursing the University for costs of the Project incurred prior to the issuance of the Bonds authorized hereunder) of the following components: (i) construction of a new 55,000 square foot addition to the University's Science and Technology Center, which will house the University's new Physician Assistant and Speech Pathology programs, as well as additional space for other programs, (ii) expansion of the University's central utility plant to provide heating and cooling to the addition to the Science and Technology Center as well as other buildings, (iii) financing certain other capital improvements and renovations, (iv) funding reserves, if required, and capitalized interest during construction; and (v) funding the costs of issuing the Bonds.	\$31,000,000

**Term:** Not more than 40 years.

**Rate:** Fixed.

**Rating/insurance:** Rated.

**Underwriter:** Merrill Lynch, Pierce, Fenner & Smith Incorporated.

**Bond Counsel:** At the request of the University, the Office of General Counsel has appointed Fox Rothschild LLP as the Bond Counsel for this issue.

**Trustee:** The Bank of New York Mellon Trust Company, N.A.

**Minority and/or Female Participation in this Financing:** McElwee & Quinn, L.L.C., a woman-owned firm, will serve as printer.

Prevailing wage rates will be used on the construction portion of the Project.  
Approved at the PHEFA Board Meeting of June 21, 2012.

#### **4. APPROVAL OF PROJECTS (CONTINUED).**

##### **B. Resolution Authorizing a Project on Behalf of Thomas Jefferson University.**

Mr. Baccon explained that Thomas Jefferson University has requested that we issue a maximum of \$50,000,000 in Revenue Bonds to finance the refunding of all or a portion of the Authority's outstanding Revenue Bonds, Series of 2002 and the acquisition, construction and development of various capital assets and the making of other capital improvements in various research, education and clinical care programs and the acquisition of real property.

The University has selected Merrill Lynch, Pierce, Fenner & Smith as the Underwriter for this issue and The Bank of New York Mellon Trust Company has been selected to serve as the Trustee. At the request of the University, the Office of General Counsel has appointed Ballard Spahr as the Bond Counsel for this issue.

The Resolution in your agenda approves all of the actions necessary in connection with the issuance of the Bonds.

Al Salvato, CIO and Treasurer of the University and Adam Gentzel of Merrill Lynch are participating by conference call to answer any questions.

Chairperson Dreher asked if Board Members had any comments or questions, and hearing none, he asked for a motion to adopt the Resolution.

**RESOLUTION OF THE  
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY  
AUTHORIZING  
THE UNDERTAKING OF A PROJECT ON BEHALF OF  
THOMAS JEFFERSON UNIVERSITY  
SERIES 2012**

**DOCKET NO. 615**

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. The Pennsylvania Higher Educational Facilities Authority (the “Authority”) shall undertake a project on behalf of Thomas Jefferson University (the “University”), a nonprofit corporation that owns and operates educational facilities, consisting generally of issuing up to \$50,000,000 (exclusive of any original issue discount or premium) in aggregate principal amount of revenue bonds in one or more series (collectively, the “Bonds”). The proceeds of the Bonds will be loaned to the University to pay certain costs of a project (the “Project”) that consists generally of: (a) refunding all or a portion of the Authority’s outstanding Revenue Bonds (Thomas Jefferson University), Series of 2002, currently outstanding in the aggregate principal amount of \$10,015,000 (the “Prior Bonds”); (b) paying (or reimbursing the University for) costs of (i) the acquisition, construction and development of various capital assets, (ii) the making of other capital improvements in various research, education and clinical care programs of the University; and (iii) the acquisition of real property currently planned to be used in furtherance of the academic mission of the University, all as described in greater detail in Exhibit B to this Resolution; (c) funding of any required reserves deemed necessary or appropriate and of any capitalized interest; and (d) paying certain costs and expenses incident to the issuance of the Bonds.

2. In order to finance the Project and authorize and secure the issuance of the Bonds, the Authority shall enter into one or more trust indentures, or one or more amendments or supplements to an existing trust indenture of the Authority entered into in connection with a series of bonds previously issued for the benefit of the University (collectively, the “Indenture”) and issue up to \$50,000,000 (exclusive of any original issue discount or premium) in aggregate principal amount of the Bonds, which may be tax-exempt or taxable and which may be issued on the same or different dates, with an appropriate project and/or series designation. The Bonds shall have a term not to exceed 40 years, shall bear interest at fixed or variable rates, shall mature in such principal amounts and at such times, and shall be subject to redemption and contain such other features all as approved by the Executive Director or Assistant Executive Director in consultation with the University and further provided in the Bond Purchase Agreement hereinafter described.

If deemed advantageous in connection with the issuance of one or more series of the Bonds, the proper officers of the Authority are hereby authorized to purchase or cause to be purchased, and the Bond Trustee (as defined in paragraph 8) is hereby authorized to

accept, a municipal bond insurance policy, letter of credit or a similar instrument insuring the payment, when due, of the principal and/or purchase price of and interest on such series of Bonds, and the Bond Trustee is further authorized to accept a liquidity facility, letter of credit or a similar instrument for the payment of the purchase price of one or more series of Bonds upon tender for purchase, if applicable.

The Executive Director or Assistant Executive Director of the Authority is hereby authorized to approve the initial interest rate to be borne by any Bonds bearing interest at variable rates and the variable interest rate formulae to be used in determining interest due on such Bonds thereafter, and to appoint an indexing agent, auction agent, broker-dealer, market agent and/or remarketing agent, if required, and to take such other action as may be necessary in connection with Bonds bearing interest at a variable interest rate or in connection with Bonds bearing interest at fixed interest rates, including the authorization of any swap agreement or similar agreement, remarketing agreement, auction agreement, broker-dealer agreement, or credit facility agreement.

The Bonds shall be issued in such denominations and form and under such terms as shall be set forth in the Indenture and approved by the Executive Director or Assistant Executive Director. The execution of the Bonds with the manual or facsimile signature of the President, Executive Director or Assistant Executive Director of the Authority together with an original or facsimile of the official seal of the Authority and the attestation thereof by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority is hereby authorized. The Executive Director or Assistant Executive Director of the Authority is hereby authorized and directed to deliver the Bonds on behalf of the Authority, to or upon the order of the purchaser thereof against receipt of the purchase price together with any accrued interest, all in accordance with the requirements of the Indenture.

3. The proceeds from the sale of the Bonds shall be loaned to the University pursuant to the terms of one or more loan agreements or supplements thereto between the Authority and the University (collectively, the "Loan Agreement"), and shall be applied by the University for and toward the costs of the Project.

4. The President, any Vice President, the Executive Director or the Assistant Executive Director is hereby authorized to negotiate with underwriters hereinafter appointed for the purchase of any series of the Bonds pursuant to one or more purchase agreements (collectively, the "Bond Purchase Agreement") in accordance with the terms of this Resolution and the President, any Vice President, the Secretary or any Assistant Secretary, the Executive Director or the Assistant Executive Director is hereby authorized to execute and deliver the Bond Purchase Agreement on behalf of the Authority and to take such further action as may be required or proper to carry out the obligations of the Authority thereunder.

5. The Authority does hereby authorize the execution and delivery of any of the following documents relating to the issuance of Bonds of any series authorized hereunder, the refunding of the Prior Bonds and the financing of the Project: the Indenture, the Bond

Purchase Agreement and the Loan Agreement or any supplements thereof required in connection with the issuance of the Bonds; any remarketing agreement and/or indexing agent agreement and/or auction agreement and/or broker-dealer agreement and/or swap agreement; any escrow agreements; any required secondary market disclosure agreement or agreements and any other agreement or document to which the Authority is a party; all in such forms as shall be acceptable to bond counsel and Authority counsel and as shall be approved by the Executive Director or the Assistant Executive Director of the Authority.

6. The President, the Vice President, the Executive Director or the Assistant Executive Director of the Authority shall be, and each of them is hereby, authorized and directed to execute, acknowledge and deliver in the name of and on behalf of the Authority, and the Secretary, Assistant Secretary or other authorized officer of the Authority shall be and each of them is hereby authorized and directed to attest and affix the official seal of the Authority to any of the aforesaid documents. The execution of the aforesaid documents as hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of the forms of said documents.

The appropriate officers of the Authority, including the President, the Vice President, the Executive Director and the Assistant Executive Director are, and each of them is, hereby authorized to approve, and to execute and deliver any supplement, amendment or agreement (an "Amendment") providing for any amendment or other change to the Trust Indenture, Loan Agreement, Bond, or any instrument or other document executed and delivered with respect to the financing of the Project (collectively, the "Bond Documents") requested by the University and approved by all other necessary parties, provided that (a) the officer executing the Amendment shall have determined that the Amendment will not adversely affect the Authority, such determination to be conclusively evidenced by such officer's execution of the Amendment and (b) the Authority shall have received an opinion of counsel in form and substance satisfactory to the Authority that (i) the Amendment is permitted under the Act and the Bond Documents, and (ii) the Amendment will not adversely affect the excludability from gross income of interest on the Bonds for purposes of federal income taxation.

7. Any preliminary official statement and/or final official statement which may be used in connection with the sale and issuance of the Bonds shall be in such form as shall be approved by the Executive Director or Assistant Executive Director of the Authority with the advice of bond counsel. The Executive Director or Assistant Executive Director shall be and hereby is authorized and directed to execute any such preliminary official statement and/or final official statement and to deem it final on behalf of the Authority pursuant to Rule 15c2-12 of the Securities Exchange Commission (the "Rule"), and the execution by the Executive Director or Assistant Executive Director of the Authority shall constitute conclusive evidence of the Authority's approval of the form of such documents. The Underwriter is hereby authorized to circulate and distribute copies of any such documents in connection with the issuance and sale and/or exchange of the Bonds. In connection with the issuance of the Bonds, any authorized officer of the Authority is hereby authorized to execute

such agreements and take such other actions as may be necessary or convenient to comply with the Rule.

8. Merrill Lynch, Pierce, Fenner & Smith Incorporated is hereby appointed as underwriter for the Bonds. The Executive Director or Assistant Executive Director of the Authority is hereby authorized to approve upon the recommendation of the University, additional professionals for the Bonds, including a tender agent or agents, and/or an auction agent or agents, if necessary. Upon the recommendation of the University, The Bank of New York Mellon Trust Company, N.A. is hereby appointed as bond trustee under the Indenture (the "Bond Trustee"). Notwithstanding the foregoing appointment of Merrill Lynch, Pierce, Fenner & Smith Incorporated as underwriter for the Bonds, the Executive Director or Assistant Executive Director of the Authority, at the request of the University, is authorized to take such steps as may be necessary or convenient to have the Bonds sold through a competitive procedure.

9. The appropriate officers of the Authority are hereby authorized to take such further actions and to execute any and all other documents and certificates, in addition to those specified above, as shall be required or convenient in connection with the issuance of the Bonds, the refunding of the Prior Bonds, and the implementation of these resolutions.

10. The Trustee shall be, by virtue of this Resolution and without further authorization from the Authority, directed and requested to invest and reinvest all moneys available therefor pursuant to the Indenture (and/or any escrow or similar agreement), which by the terms of the Indenture may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted by the Indenture, all subject to the terms and limitations contained in the Indenture (or such escrow or similar agreement).

11. This Resolution shall take effect immediately. All prior resolutions of the Authority, to the extent inconsistent with this Resolution, are hereby repealed.

Upon **MOTION** by **Ms. Flinn**, and **SECONDED** by **Ms. Pike-Nase**, and after full discussion, the above Resolution was approved at the PHEFA Board Meeting of June 21, 2012.

**EXHIBIT A**

**THOMAS JEFFERSON UNIVERSITY**

<b><u>Docket No.</u></b>	<b><u>County</u></b>	<b><u>Project Description</u></b>	<b><u>Maximum Amount To be Financed</u></b>
615	Philadelphia	(a) refunding of outstanding Prior Bonds; (b) financing certain of the University's expenditures for various capital assets in Philadelphia in furtherance of the current academic mission of the University, as further described in <u>Exhibit B</u> , (c) establishing reserves, (d) capitalized interest and (e) paying certain costs and expenses incident to the issuance of the Bonds.	\$50,000,000 – Exclusive of Original Issue Discount or Premium

**Term:** Not more than 40 years.

**Rate:** Variable and/or Fixed.

**Underwriter:** Merrill Lynch, Pierce, Fenner & Smith Incorporated.

**Bond Counsel:** At the request of the University, the Office of General Counsel has appointed Ballard Spahr LLP as the Bond Counsel for this issue.

**Trustee:** The Bank of New York Mellon Trust Company, N.A.

**Rating/Insurance/Credit Enhancement:** Prior to issuance, a determination will be made whether to obtain bond insurance, a letter of credit or other credit enhancement based as to whether doing so is in the better overall financial interest of the University.

**Minority and/or Female Participation in this Financing:** McElwee & Quinn, L.L.C., a woman-owned firm, will serve as printer.

Prevailing wages will be used on the construction portion of the Project.

Approved at the PHEFA Board Meeting of June 21, 2012.

## **EXHIBIT B**

The capital improvements/capital assets portion of the Project consists generally of funding a portion of the University's capital budget for its fiscal year ending June 30, 2013, inclusive of the following:

- Construction, renovation and upgrading of infrastructure, conveyance, research and event space;
- Renovations and upgrades within the Jefferson Alumni Hall, and Curtis and College buildings;
- Renovations in the Martin building to provide for upgraded student housing facilities;
- Classroom renovations in various buildings on campus;
- Information technology;
- Other capital improvements within the University's campus in Philadelphia.

#### **4. APPROVAL OF PROJECTS (CONTINUED).**

##### **C. Resolution Authorizing the Execution and Delivery of a Supplemental Trust Indenture and a Supplemental Loan Agreement in Connection with the Association of Independent Colleges and Universities of Pennsylvania Financing Program – Messiah College Project, Series 2001 I4.**

Mr. Baccon explained that Messiah College has requested that we authorize and approve the execution and delivery of a Supplemental Trust Indenture and a Supplemental Loan Agreement amending the Indenture and Loan Agreement entered into in connection with an AICUP Financing for Messiah College, Series 2001 I4.

The amendments will enable the College to remarket the Bonds, which currently bear interest in a Weekly Rate Mode and are supported by a Letter of Credit, in a Term Rate Mode for a period of years or in a Weekly Mode, without a Letter of Credit, but rather based on the College's credit and with a parity pledge of the College's revenues. Remarketing the Bonds without a Letter of Credit is expected to result in significant savings for the College.

The Bank of New York Mellon Trust Company is Trustee for the Bonds. At the request of AICUP, Ballard Spahr, was appointed as Bond Counsel by the Office of General Counsel.

The Resolution in your agenda approves all of the actions necessary in connection with the Bonds.

Barbara Beckman of Ballard Spahr is participating by conference call to answer questions.

Chairperson Dreher asked if Board Members had any questions or comments, and hearing none, he asked for a motion to adopt the Resolution.

**RESOLUTION OF THE  
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY  
AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A  
SUPPLEMENTAL TRUST INDENTURE AND A SUPPLEMENTAL LOAN  
AGREEMENT; AUTHORIZING INCIDENTAL ACTION; AND REPEALING  
INCONSISTENT RESOLUTIONS**

WHEREAS, Pennsylvania Higher Educational Facilities Authority (the “Authority”) previously issued its Revenue Bonds (Association of Independent Colleges and Universities of Pennsylvania Financing Program – Messiah College Project), Series 2001 I4 (the “Bonds”) pursuant to a financing program sponsored by the Association of Independent Colleges and Universities of Pennsylvania; and

WHEREAS, the Bonds were issued under a Trust Indenture (the “Indenture”) by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the “Trustee”); and

WHEREAS, the proceeds of the Bonds were loaned to Messiah College (the “College”) pursuant to a Loan Agreement (the “Loan Agreement”) between the Authority and the College; and

WHEREAS, the Bonds are currently bearing interest at a Weekly Rate and are supported by a Letter of Credit (as defined in the Indenture) and the College’s reimbursement obligations to the issuer of the Letter of Credit are secured by a lien on the College’s revenues on a parity with the liens on the College’s revenues granted to secure the holders of certain other parity debt of the College, including certain bonds issued by the Authority for the benefit of the College; and

WHEREAS, the College desires to have the flexibility to remarket the Bonds without a Letter of Credit in place (and based upon the creditworthiness of the College) and in connection therewith, to grant to the Trustee for benefit of the holders of the Bonds a parity lien on its revenues and to add certain business covenants to the Loan Agreement; and

WHEREAS, the ability to remarket the Bonds without the support of a Letter of Credit but with a parity pledge of the College’s revenues and with additional business covenants necessitates certain amendments to the Indenture and the Loan Agreement; and

WHEREAS, the College has requested that the Authority amend and supplement the Indenture and the Loan Agreement and certain action is required to be taken by the Authority as a prerequisite to the amendment of such documents;

**NOW THEREFORE, BE IT RESOLVED BY PENNSYLVANIA  
HIGHER EDUCATIONAL FACILITIES AUTHORITY, that:**

Section 1.     APPROVAL OF SUPPLEMENTAL INDENTURE AND LOAN  
AGREEMENT.

The Authority does hereby approve and authorize the execution and delivery of supplements to the Indenture (the “Supplemental Indenture”) and to the Loan Agreement (the “Supplemental Loan Agreement”) in such form as shall be acceptable to bond counsel, the General Counsel and the Attorney General of the Commonwealth and as shall be approved by the Executive Director or the Assistant Executive Director of the Authority to accomplish the purposes set forth in the recitals hereto. The President, any Vice President, the Executive Director or the Assistant Executive Director of the Authority, and each of them is hereby authorized and directed to execute, acknowledge and deliver in the name and on behalf of the Authority and, if required, the Secretary or Assistant Secretary, and each of them is hereby authorized to attest and affix the official seal of the Authority to, each of the aforesaid documents. The execution of the aforesaid documents as hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of said documents.

Section 2.     INCIDENTAL ACTION.

The officers of the Authority are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effectuate the execution, delivery and receipt of the Supplemental Indenture and Supplemental Loan Agreement in accordance with the foregoing Sections hereof.

Section 3.     REPEAL.

This Resolution shall take effect immediately upon its adoption, and all prior resolutions or parts thereof inconsistent herewith are hereby repealed.

Upon **MOTION** by **Ms. Flinn**, and **SECONDED** by **Ms. Pike-Nase**, and after full discussion, the above Resolution was approved at the PHEFA Board meeting of June 21, 2012.

**5. OLD BUSINESS.**

Chairperson Dreher asked if there was any old business to come before the Board, and hearing none, he moved to new business.

**6. NEW BUSINESS.**

Chairperson Dreher asked if there was any new business, and hearing none, he asked for a motion to adjourn.

**7. ADJOURNMENT.**

There being no further business to come before the Board at this time, upon **MOTION** by **Ms. Flinn**, and **SECONDED** by **Representative Bear**, the PHEFA Board Meeting was adjourned at 10:55 a.m.

**Meeting Notices****Meeting Notices****SUNSHINE ACT MEETING NOTICES**

Saturday, June 09, 2012

If you need an accommodation due to a disability, please contact the ADA contact listed below.

**Public School Employees' Retirement Board Technology Steering Committee Meeting:** June 21, 2012, 8:30 AM, 4th Fl. Bd. Rm., 5 N. 5th St., HBG.  
**Add'l Mtg.:** Public School Employees' Retirement Board Finance Committee Meeting at 8:45 same above date/location.  
**Contact Name:** Maryann Pavlovic - 720-4749

**RESCHEDULED: Workers' Compensation Advisory Council Meeting:** June 21, 2012, 11 AM., Room 326, 1171 S. Cameron St., HBG.  
The meeting originally scheduled for 6/14/12 has been rescheduled to 6/21/12.  
**Contact Name:** Cynthia Kendall - 783-5421, ext. 9000

**SPECIAL: State Public School Building Authority Meeting:** June 21, 2012, 10:30 AM, Rm. 113, East Wing, HBG.  
**Add'l Mtg.:** PA Higher Educational Facilities Authority Meeting, same above date/time/location.  
**Contact Name:** Bev Nawa - 975-2204

**Public School Employees' Retirement Board Health Care Committee Meeting:** June 21, 2012, 1:00 PM, 4th Fl. Bd. Rm., 5 N. 5th St., HBG.  
**Add'l Mtg.:** Public School Employees' Retirement Board Personnel Committee Meeting at 1:30 PM, same above date/location.  
**Contact Name:** Maryann Pavlovic - 720-4749

**Public School Employees' Retirement Board Appeals/Member Services Committee Meeting:** June 22, 2012, 8:30 AM, 4th Fl. Bd. Rm., 5 N. 5th St., HBG.  
**Add'l Mtg.:** Public School Employees' Retirement Board Meeting at 9:00 AM, same above date/location.  
**Contact Name:** Maryann Pavlovic - 720-4749

**PA Game Commission Board of Commissioners Meetings:** June 25, 2012, 8:30 AM, PA Game Commission Bldg., 2001 Elmerton Ave., HBG.  
**Mtg. Purpose:** To discuss Game Commission Business. **Add'l Mtg.:** 6/26 same above time/location.  
**Contact Name:** Joan French - 787-7836

**CANCELLED: Industrial Board Meeting:** June 26, 2012, 9:30 AM, Labor and Industry Bldg., Rm. 1626, HBG.  
**Contact Name:** Donna Suskle - 787-6115

**PA DOA, PA State Harness Racing Commission Meeting:** June 28, 2012, 11:00 AM, Mohegan Sun at Pocono Downs, 1280 Highway 315, Wilkes-Barre  
\* Change in Location.  
**Contact Name:** Dawn Patrick - 787-1942

**CANCELLED: Formal Meetings of the PA Turnpike Commission:** July 03, 2012, 9:00 AM, Administrative Bldg., 3rd Fl., Large Brd. Rm., Middletown  
**Add'l. Cancelled Mtgs.:** 7/17, 8/7, 8/21, 9/18  
**Contact Name:** Deborah Carpenter - 939-9551, Ext. 4281

**SPECIAL: PA Turnpike Commission Meetings:** July 18, 2012, 10:00 AM, Administration Bldg., 3rd Fl., Large Brd. Rm., Middletown.  
**Add'l Mtgs.:** 8/14, 9/20 same above time/location.  
**Contact Name:** Deborah Carpenter - 939-9551, Ext. 4281

**PA Human Relations Commission Meeting:** July 23, 2012, 1:00 PM, PA Human Relations Commission - Central Office, 2nd Fl. Conf. Rm., Ste. 300, 301 Chestnut St., HBG.

**Add'l Mtgs.:** 8/27, 9/24, 10/22, 11/26, 12/17, 1/28, 2/25, 3/18, 4/22, 5/20, 6/24 same above time/location. Executive Sessions (closed to public) from 9:30 - 11 a.m. to discuss monthly investigative activity, quasi-judicial case deliberations, and to discuss other matters. Public session will convene at 1 p.m. For special accommodations or accessibility questions, contact Martin Kearney at (717) 787-9025 or (TTY)(717)787-7279 or mkearney@pa.gov.

**Contact Name:** Martin Kearney - 787-9025

**RESCHEDULED: PA Turnpike Commission Meetings:** September 04, 2012, 10:00 AM, Administrative Bldg., 3rd Fl., Large Brd. Rm., Middletown.  
**Add'l Mtgs.:** 10/2, 10/16, 11/6, 11/20, 12/4, 12/18 same above time/location.  
**Contact Name:** Deborah Carpenter - 939-9551, Ext. 4281

**DCNR, PA Recreational Trails Advisory Board Meetings:** June 19, 2012, 12 PM., Holiday Inn (469-1554), Exit 80, I-81, Grantville.  
**Mtg. Time:** 12-9 PM **Add'l Mtg.:** June 20, 2012, 10:30 AM - 3 PM., same above location.

**Contact Name:** Jennifer Gardner - 772-3839

STATE PUBLIC SCHOOL BUILDING AUTHORITY  
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY  
Notice of the Meeting of the Board to be Held  
June 21, 2012

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Notice was in letterform, as follows:

This letter advises that a meeting of the State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority Boards will be held on **Thursday, June 21, 2012**, at **10:30 a.m.**, in **Room 113 East Wing, Harrisburg**, Pennsylvania, for the purpose of: (a) approving certain projects for financing; and, (b) consideration of such other matters as may properly come before the Board.

Enclosed herewith is a copy of the notice that has been posted on the bulletin board in the Authority office, in accordance with Act No. 213, 1957.

I would appreciate it if you would make the appropriate notation on the attached slip, indicating whether or not you plan to be present at the meetings and return same to us.

Sincerely,

/s/ Robert Baccon

Robert Baccon  
Assistant Executive Director

Enclosures

\* \* \* \* \*

Appendix A

Harrisburg, PA

I CERTIFY that the notice on the previous page for the June 21, 2012, meetings was dispatched to the following on June 4, 2012, at the addresses indicated, constituting all of the members of the Board of the State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority.

Thomas W. Corbett, Governor of Pennsylvania  
225 Main Capitol Building, Harrisburg, PA  
Rick Dreher, Proxy for Governor Corbett  
7<sup>th</sup> Floor, Verizon Tower, Harrisburg, PA  
Jeffrey E. Piccola, Designated by the President Pro Tempore of the Senate  
173 Main Capitol Building, Harrisburg, PA  
Andrew E Dinniman, Designated by the Minority Leader of the Senate  
183 Main Capitol Building, Harrisburg, PA  
John C. Bear, Designated by the Speaker of the House of Representatives  
145B East Wing, Harrisburg, PA  
Anthony M. DeLuca, Designated by the Minority Leader of the House of Representatives  
115 Irvis Office Building, Harrisburg, PA  
Robert M. McCord, State Treasurer  
129 Finance Building, Harrisburg, PA  
Jack E. Wagner, Auditor General  
229 Finance Building, Harrisburg, PA  
Sheri L. Phillips, Secretary of General Services  
515 North Office Building, Harrisburg, PA  
Ronald J. Tomalis, Secretary of Education  
333 Market Street - 10th Floor, Harrisburg, PA

GIVEN under my hand and seal this 4th day of June 2012.

/s/ Robert Baccon

Robert Baccon, Assistant Executive Director  
State Public School Building Authority  
Pennsylvania Higher Educational Facilities Authority