

MINUTES

HIGHER EDUCATION POLICY COMMISSION

May 30, 2012

1. Call to Order

Chairman David Hendrickson convened a special meeting of the Higher Education Policy Commission at 4:00 PM in the Presidents' Conference Room at 1018 Kanawha Boulevard, East, Charleston, West Virginia and by conference call. The following Commission members were present: Jenny Allen, Bruce Berry, Kathy Eddy, John Estep, Kay Goodwin, David Hendrickson, John Leon, and David Tyson. Absent: Bob Brown and Jorea Marple.

2. Approval of 2012 Bond Issue for West Liberty University

Mr. Richard Donovan, Senior Director of Facilities, provided an overview of an approval from the West Liberty University Board of Governors regarding the issuance of up to \$10 million in Revenue Bonds primarily to supplement the \$12.75 million in bond funding that the Commission authorized from its 2010 Lottery Revenue Bond Issue for the institution's new Health Sciences Building. Mr. Donovan noted that the Health Sciences Building project was presented to and approved by the Commission on December 28, 2011. Mr. Donovan stated that, in order for the institution to proceed with the bond, Commission approval is required.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the issuance by West Liberty University's Board of Governors of West Liberty University Revenue Bonds, Series 2012, in an aggregate principal amount not to exceed \$10 million, pursuant to the Approving Resolution prepared by the Board's Bond Counsel.

Ms. Eddy seconded the motion. Motion passed.

3. Approval of an Adjustment in the Aggregate Principal Amount for the 2012 HEPC Refunding Bond Series A and New Bond Series B

Mr. Donovan provided an overview of the approval by the Commission on May 9, 2012 to refund existing bonds in order to utilize the savings on various capital improvements across the system. The anticipated savings has increased from approximately \$5 million expected on May 9 to approximately \$7.3 million. Mr. Donovan indicated that due to additional changes in the municipal bond market since the Commission's initial approval, the aggregate principal amount needs to be adjusted from \$7 million to \$15 million in order to account for the increase in anticipated savings.

Ms. Eddy moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the Seventh Consolidated Supplemental Resolution authorizing the issuance of Revenue Refunding Bonds (Higher Education Facilities), 2012 Series A, to advance refund of a portion of the outstanding principal amount of the West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2004 Series B in an aggregate principal amount not to exceed \$140 million, and authorizing the issuance of Revenue Bonds (Higher Education Facilities) 2012 Series B in an aggregate principal amount not to exceed \$15 million.

Ms. Allen seconded the motion. Motion passed.

4. Approval of Post-Issuance Compliance Policy for Tax Exempt Revenue Bonds

Mr. Donovan reported that, as a result of recent changes to Internal Revenue Service's tax-exempt bond form 8038, which is prepared and filed as part of a tax-exempt bond issue, it is bond counsel's (Spilman Thomas & Battle, PLLC) recommendation that issuers, including the Commission, adopt a Post-Issuance Compliance Policy. As a result, a policy has been drafted for review and approval by the Commission.

Ms. Eddy moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission adopts the Post-Issuance Compliance Policy which was drafted by bond counsel and is recommended by Commission staff.

Dr. Berry seconded the motion. Motion passed.

5. Additional Board Action and Comment

There was no additional board action and comment.

6. Adjournment

There being no further business, the meeting was adjourned.

David K. Hendrickson

Chairman

Kathy Eddy

Secretary