September 7, 2018

VICE CHANCELLOR AND CHIEF FINANCIAL OFFICER

RE: Delegation of Authority (DA) – Declaration of Official Intent to Reimburse Capital Expenditures from Proceeds of Indebtedness (Presidential DA 2055)

The President delegated the following authority to Chancellors within their areas of jurisdiction and with appropriate restrictions:

- Authority to declare the official intent of the Regents to reimburse expenditures related to capital improvement projects or capital purchases (including building and/or equipment acquisition) from the proceeds of future taxable or tax-exempt debt obligations to be issued by the Regents.

Effective immediately, as Chancellor and pursuant to the authority delegated to me, I delegate the following authority to you within your area of responsibility:

- Authority to declare the official intent of the Regents to reimburse expenditures related to capital improvement projects or capital purchases (including building and/or equipment acquisition) from the proceeds of future taxable or tax-exempt debt obligations to be issued by the Regents.
- Subject to all other University and Merced Campus policies and procedures.
- Source of Authority: Presidential DA 2055.
- This authority may be re-delegated by you.

This Delegation supersedes the associated delegation in UC Merced DA 116.

Sincerely,

Dorothy Leland
Chancellor

cc: Director of Policy and Accountability, Sheryl Ireland
March 28, 1996

CHANCELLORS
SENIOR VICE PRESIDENT-- BUSINESS AND FINANCE
VICE PRESIDENT--AGRICULTURE AND NATURAL RESOURCES

Delegation of Authority--Declaration of Official Intent to Reimburse Capital Expenditures from
Proceeds of Indebtedness

At the meeting of July 19, 1991, The Regents adopted a resolution concerning reimbursement of
capital expenditures which states in part:

The President of the University of California, or the President's designee, is hereby authorized
to declare the official intent of The Regents to reimburse expenditures from the proceeds of
future taxable or tax-exempt debt obligations issued by The Regents.

Effective immediately, subject to the terms of the attached Resolution of The Regents of the
University of California and related implementation instructions, each of you is authorized as my
designee for his or her related campus/organization to declare the official intent of The Regents to
reimburse expenditures related to capital improvement projects or capital purchases (including
building and/or equipment acquisition) from the proceeds of future taxable or tax-exempt debt
obligations to be issued by The Regents. Recent changes to Federal Treasury Regulations have
allowed this delegation to become possible.

Any redelegation of this authority shall be in writing with copies to the Special Assistant--
Coordination & Review and the General Counsel and Vice President for Legal Affairs. This
supersedes the June 3, 1993 delegation of authority to the Provost and Senior Vice President--
Academic Affairs (DA 1088) on this same subject.

Richard C. Atkinson
President

Attachments

cc:
Laboratory Directors
Members, President's Cabinet
Associate Vice President Hershman
Special Assistant Gardner
Principal Officers of The Regents

https://policy.ucop.edu/_files/da/da2055.html

4/19/2018
RESOLUTION
OF THE REGENTS OF THE
UNIVERSITY OF CALIFORNIA

WHEREAS, The Regents of the University of California ("The Regents") expects to make capital expenditures from time to time prior to The Regents' issuance of taxable or tax-exempt debt obligations to finance such expenditures; and

WHEREAS, section 1.103-17 of the proposed Treasury Regulations generally requires The Regents, or its authorized representative, to declare The Regents' reasonable intent to reimburse capital expenditures from the proceeds of taxable or tax-exempt debt obligations prior to the date on which such expenditures are made;

NOW, THEREFORE, BE IT RESOLVED by The Regents as follows:

Section 1. The President of the University of California, or the President's designee, is hereby authorized to declare the official intent of The Regents to reimburse expenditures from the proceeds of future taxable or tax-exempt debt obligations issued by The Regents. Any such declaration by the President of the University of California, or the President's designee, shall be substantially in the form attached hereto.

Section 2. This Resolution is adopted by The Regents solely for purposes of establishing compliance with the requirements of section 1.103-17 of the proposed and final Treasury Regulations. Neither this Resolution, nor any action taken by any person pursuant to this Resolution, shall bind The Regents to make any expenditure, incur any indebtedness, or proceed with any project, and all other University procedures and policies relating to the approval and financing of capital projects shall continue to apply.

Section 3. This Resolution shall take effect from and after its adoption.
Instructions for Preparation of the
Declaration of Official Intent to Reimburse Advances for Capital Expenditures
from the Proceeds of Indebtedness

Purpose: To comply with IRS regulations requiring a “declaration of official intent” when cash
resources are used for capital expenses with the expectation they will be reimbursed from
the proceeds of tax-exempt financing issued at a later date. These regulations were put in
place due to abuses of entities using cash resources for projects, and later when cash flows
were tight, would take advantage of their tax-exempt status and issue debt on projects that
had already, in essence, been paid for.

The Forms
To Use:

1. The Declaration Form: This form must be used as found in this packet -- no language
may deviate from that shown. It must be signed and dated, and have at least one
Schedule A form attached.

2. The Schedule A form: This form lists projects and is dated and attached to a signed and
dated Declaration form. The date on the Declaration and Schedule A form must match.

What to Declare: Any project for which campus funds are to be advanced and which might be reimbursed from
the proceeds of external financing--whether you expect the financing will be taxable or tax-
exempt. This includes capital improvement projects as well as capital purchases (including
building and/or equipment acquisition). This will also include any campus advances for
projects ultimately funded by other entities, such as the Energy Efficiency Bond Program
funded by State Public Works Board bonds. See attached Schedule A form for suggestions
regarding project titles.

What NOT to Declare: Any projects for which the University is NOT the party advancing funds. For instance, State
PMIA loans for State-funded projects should not be declared by the campus. The agency
advancing funds is responsible for filing the Declaration.

When to Declare: The IRS Regulations state that the declaration for advanced funds must be approved (signed,
and filed) no later than 60 days after the expenditure of funds expected to be reimbursed. It
is imperative that funds advanced for new capital expenditures be “declared” on a timely basis
throughout the year as necessary to comply with reimbursement regulations.

Consequences of late, or no Declaration: Should the campus advance funds and fail to approve a Declaration in a timely manner,
funds will not be eligible for reimbursement from tax-exempt debt. Specifically, funds
spent more than 60 days prior to the Declaration’s approval will not qualify. The campus
will have the responsibility of permanently funding the advance from cash resources, or
if available, pursue taxable financing for that portion that does not qualify. You are
asked to provide a copy of the signed and dated Declaration and Schedule A to Senior
Finance Officer Randall Young in the Treasurer’s Office at the time it is approved.

March 1996
DECLARATION OF OFFICIAL INTENT
OF THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
TO REIMBURSE CERTAIN EXPENDITURES
FROM PROCEEDS OF TAXABLE OR TAX-EXEMPT INDEBTEDNESS

WHEREAS, The Regents of the University of California ("The Regents") intends to build, construct, purchase or renovate the projects listed and described on the attached Schedule A (the "Projects");

WHEREAS, The Regents expects to finance all or some portion of the costs associated with the Projects through the issuance of interim and/or long term debt;

WHEREAS, The Regents expects to pay certain expenditures in connection with the Projects (the "Reimbursement Expenditures") prior to the issuance of indebtedness for the purpose of financing costs associated with the Projects on a long-term basis;

WHEREAS, The Regents reasonably expects that debt obligations will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures;

WHEREAS, by its Resolution dated July 19, 1991, The Regents has authorized its President, or its President's delegate, to declare the official intent of The Regents to reimburse expenditures from the proceeds of future taxable or tax-exempt debt obligations issued by The Regents; and

WHEREAS, by his letter dated ________, 1996, the President of The University of California has delegated to the campus Chancellors, Senior Vice President--Business and Finance, or the Vice President--Agriculture and Natural Resources the authority to declare such official intent of The Regents;

NOW, THEREFORE, on behalf of The Regents, the ________ (Chancellor, Senior Vice President--Business and Finance, or the Vice President--Agriculture and Natural Resources) makes the following findings, determinations and declarations:

Section 1. The ________ (Chancellor, Senior Vice President--Business and Finance, or the Vice President--Agriculture and Natural Resources) finds and determines that the foregoing recitals are true and correct.

Section 2. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind The Regents to make any expenditures, incur any indebtedness, or proceed with any of the Projects.
Section 3. The ________ (Chancellor, Senior Vice President--Business and Finance, or the Vice President--Agriculture and Natural Resources) hereby declares The Regents' official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This Declaration shall take effect from and after its adoption.

Date: ________________

(Signature)

(Title: Chancellor, SVP--B&F or VP--ANR), University of California, (Campus)
SCHEDULE A
Declaration of Official Intent
of The Regents of the University of California
to Reimburse Certain Expenditures
from Proceeds of Indebtedness

<table>
<thead>
<tr>
<th>Project*</th>
<th>Expected Total Costs to be Paid From Indebtedness</th>
</tr>
</thead>
</table>

(Approval date)

* Instructions: Provide a general functional description of each Project (e.g., "five acres of unimproved land" or "a ten-floor office building") in enough detail so that it may be distinguished from other projects.