

APPROVAL OF VARIABLE RATE DEBT POLICY

WHEREAS, variable rate debt has lower cost but higher risk than fixed rate debt; and

WHEREAS, the Board recognizes the importance of balancing risk and return; and

WHEREAS, it is the intent of the Board to preserve the University's premier bond rating from Moody's, Fitch and Standard & Poor's, consistent with the University's strategic objectives.

RESOLVED that the University's variable rate debt will not comprise more than 40 percent of the total external debt portfolio of the University.