

**MINUTES
BOARD OF TRUSTEES' MEETING
May 8, 2015 2 p.m.
Hawkins Hall, Troy University Campus
Troy, Alabama**

The Troy University Board of Trustees convened at 2:00 p.m. on May 8, 2015, in Hawkins Hall Conference Room on the Troy University Campus in Troy, Alabama.

I. Call to Order

Senator Gerald Dial, President pro tempore of the Board, called the meeting to order.

The chair called upon Board member Mr. Lamar P. Higgins to open the meeting with prayer. Following the prayer, Senator Dial asked for a roll call.

II. Roll Call

Upon roll call, the following members, comprising a quorum, answered present: Senator Gerald O. Dial, Mrs. Karen Carter, Mr. Ed Crowell, Dr. Roy H. Drinkard, Mr. John Harrison, Dr. R. Douglas Hawkins, Mr. Lamar P. Higgins, Mr. Forrest Latta, Mr. Charles Nailen, Mr. Allen E. Owen, Mr. C. Gibson Vance, and Mr. Heath Barton, SGA President (non-voting member). Absent: Governor Robert Bentley.

III. Approval of Minutes

A draft copy of the December 12, 2014, minutes was provided to Board members prior to the meeting. Senator Dial called for a motion to approve the minutes as presented.

ACTION: MR. HIGGINS MADE A MOTION TO ACCEPT THE MINUTES FOR THE DECEMBER 12, 2014, MEETING AS PRESENTED. THERE WERE NO CORRECTIONS OR ADDITIONS BROUGHT FORWARD. FOLLOWING A SECOND BY MRS. KAREN CARTER AND APPROVAL BY THE FULL BOARD, THE MINUTES WERE APPROVED AS PRESENTED.

IV. Reports

A. Chancellor

Chancellor Hawkins recognized and welcomed Matthew Thompson, out-going Student Government Association President, and Heath Barton, newly elected SGA President, to the meeting.

The following is a summary of a report given by the Chancellor:

Agenda Highlights

- Appointment of Nominating Committee
- Proposed changes to Bylaws
- Resolutions on Tuition, Recreation Fee, Bond Issue, and endorsement of Rosa Parks' image on \$20 bill
- Reports from Board committees—Institutional Advancement and Athletics

Factors Affecting Higher Education

- Changing delivery systems
- Soaring student loans
- Declining federal financial aid
- Declining staff support
- Growing regulatory, accreditation & assessment demands
- Increased competition
- Applicant pools fed by low-\$\$ families
- Personnel-driven budgets
- Growing technology needs
- Facilities heavy
-

Higher Education Under Stress

Examples cited included:

- Louisiana \$1.6B shortfall
- Louisiana higher education faces \$600M deficit
- Louisiana State University (LSU) –Financial exigency is possible
- LSU may cut 2,200 courses
- Other Louisiana universities in jeopardy
- Current operational model can no longer support and grow American higher education

National Challenge

- University of Wisconsin:
 - To cut 400 positions/\$21m from budget
 - To increase tuition and freeze hiring
 - To eliminate 320 courses/merge programs
 - Arizona State:
 - \$320 per student fee to overcome 13% cut in state appropriations
 - Iowa – flagships to cut 250 positions
 - Hiring freezes for Maryland, Texas A&M, Minnesota
 - Maine seeks single accreditation for its seven campuses with separate accreditation and without substantial changes to its system, the University of Maine officials predict a \$90m deficit in 5 years
 - University closings announced include Sweet Briar, Tennessee Temple, Lebanon (Pennsylvania) College, Knoxville College, Corinthian, and DeVry closes in Milwaukee
 - TROY University not untouched:
 - Declining state appropriations:
 - 2008 @ \$62m; 2015 @ \$46m
 - Tuition dependent: 68%
 - Enrollment: Mobility report shared reflecting 20,949 headcount
 - Budget 2016 Principles:
 - Decrease expenses: Personnel—almost 200 positions eliminated/deferred in past 12 months
 - Review investment in scholarships
 - Reactivate Right-Sizing Committee
 - Increase income: Increase state appropriations \$2.2m; minimal tuition increase
 - **BOTTOM LINE: Recruit and retain students and do More with less!**
- Good News
- Ph.D. in sport management to enroll 14 in fall of 2015.
 - Manley Johnson Center: Dr. Stephen Miller new director—Dr. Miller comes to TROY from Western Carolina University with Ph.D. from George Mason University
 - TROY is an All-Steinway School
 - The Master's in Social Work will be offered in Phenix City and in Montgomery for the fall.
 - TROY has been selected by PACOM to continue to offer our graduate program in International Relations in the Pacific.
 - Dr. Felicia Bell appointed director of Rosa Parks Library and Museum. Dr. Bell holds a Ph.D. from Howard University/Master's from Savannah College in Art and Design. She has nine years of experience as Director of Education and Outreach at the US Capitol Historical Society.
 - School of Science and Global Technology startup date of June 1, 2015—Dr. Govind Menon named Director. Areas of focus include Biomedical Science, Computer Science/Software, Environmental Science/Water Resources, Food Safety; Advanced Technology in Manufacturing. Advanced Technology in Manufacturing to focus on 3 key areas—aviation industry, automotive industry and quality control management.
 - 3+3 program: TROY partners with Cumberland & Jones Law Schools. Students may transfer after three years (90 hours) and complete both bachelor's

degree and J.D. A bachelor's degree will be awarded after a student's first year of law school. This is the only program of its kind in Alabama. Chancellor Hawkins thanked Board Members Forrest Latta and Gibson Vance for their leadership in this initiative.

Points of Pride:

- TROY's Journalism School ranked sixth in the nation in Radio Television Digital News Association's 2014 Best College Journalism Schools survey
- Troy names one of 50 best college towns
- Arena recognized nationally for design
- *Top Master's in Education* names instruction tech program as Best Value
- GoGrad.org ranks online MA in History Third Best in the nation
- Best Master's Program--#28 best value in online programs
- TrojanVision the top campus TV station in the Southeast
- New student housing building set for opening in the fall
- Phenix City Campus will dedicate new building on July 10 at 3:00 p.m. (Eastern time)
- The new golf facility is taking shape
- Athletics: Men's tennis wins Sun Belt Conference (SBC); Scott Kidd named coach of the year and men's team selected to play in NCAA regionals in Athens; women's golf wins championship for second straight year. In women's softball first-year coach Beth Mullins named co-coach of the year

Dates to Remember:

May 17, Dothan Commencement
May 19-Montgomery Commencement
May 20-24-SBC baseball tournament, Piddle-Pace Field
July 9-11-Joint Board Retreat, Phenix City Campus with a scheduled Board meeting and dedication ceremony for new building
July 24-Troy Summer Commencement, speaker Lawrence Tynes
September 4-5-Trustee trip to North Carolina State football game (NOTE: Date was changed later in meeting to
September 19 for Wisconsin trip
December 11-Troy Fall Commencement

Chancellor Hawkins responded to comments from Dr. Doug Hawkins regarding the need to have more sororities on campus. Chancellor Hawkins added that a report on the status of this would be provided at a later date, possible the July Board meeting.

B. Board Committee Reports

- **Executive Committee, Honorable Gerald Dial**

Senator Dial advised the election of officers will be at the July Board meeting. He appointed the Nominating Committee as reflected below.

○ **Appointment of nominating committee for Board of Trustees Officers**

Mr. Allen Owen, Chair
Mrs. Karen Carter
Mr. Lamar P. Higgins

Senator Dial charged the committee to bring recommendations for officer elections before the full Board at the July meeting.

- **Bylaws Committee, Honorable Lamar P. Higgins**

Senator Dial called upon Mr. Higgins to present the proposed changes to the Bylaws.

Mr. Higgins reported that the Bylaws Committee consisting of Mr. Latta and Mrs. Carter met and the recommendations basically reflect some tweaking as a result of changes in the statutes as it relates to standing committees being able to meet completely by telephonic/electronic communications as well as clarifying for the purpose of a quorum (6 members for all meetings). The proposed changes also state that for voting purposes, two members are allowed by statute to participate in Board meetings by electronic means. The new language proposed in the Bylaws also addresses the need to call a meeting without having a 10-day notice, which in essence describes an emergency meeting. Mr. Higgins read the section of the proposed Bylaws relating to emergency meetings. (A copy of the proposed Bylaws is attached to these Minutes.)

The chair opened the floor for discussion. There being none the chair called for a motion on Resolution No. 1—Proposed Changes to Bylaws.

- **Resolution No. 1—Proposed changes to Bylaws**

ACTION: MR. CROWELL MADE A MOTION TO ADOPT THE BYLAWS AS PRESENTED. A SECOND WAS MADE BY MR. HARRISON. THERE BEING NO FURTHER DISCUSSION, THE MOTION PASSED.

Resolution No. 1

Approving changes to the Bylaws of the Board of Trustees

WHEREAS, the Bylaws Committee met on April 25, 2015, to review suggested changes in the bylaws as recommended by University Attorney Mr. Nick Cervera based on his review of current case law, and

WHEREAS, Mr. Cervera recommended several changes in Article II-Meetings including the expansion of the types of meetings of the Board to include Emergency Meetings, a change in the number of members to constitute a quorum of the Board from seven to six, an expansion of the members who may participate by electronic means, and a change noting that the vote of those participating electronically shall be counted in reaching any majority vote, and

WHEREAS, the Bylaws Committee further suggested that all committees of the board have the quorum of any committee of the Board be set at a majority of those members appointed to a committee, and

WHEREAS, the Bylaws Committee voted by a unanimous vote to approve the above changes;

THEREFORE BE IT RESOLVED, that the Bylaws Committee recommends that these changes as specifically noted in the highlighted sections of the attached copy of the proposed new bylaws be submitted to the Board of Trustees at the May 8, 2015, meeting for review and approval.

- **Student Affairs Committee, Honorable Lamar P. Higgins**

The chair called on Mr. Higgins, chair of the Student Affairs Committee, to provide a report. Mr. Higgins reported that the Student Affairs Committee met and a copy of the committee minutes was provided via email to Board members. Mr. Higgins thanked Dr. John Dew, Senior Vice Chancellor for Students Services and Administration, for the assistance he provided to the Board's Student Affairs Committee. Mr. Higgins advised that the committee discussed several items, including the student rec facility and the need for that. The committee's recommendation was passed along to the Board's Finance Committee and Mr. Higgins thanked the Finance Committee members for acting affirmatively on the recommendation. Mr. Higgins added that the Student Affairs Committee presents Resolution No. 2 today honoring Matthew

Thompson, outgoing SGA President. Mr. Higgins asked Matthew to stand and be recognized. Matthew made brief comments expressing his appreciation to the Board for its support of the student body.

Following Mr. Thompson's comments, the chair called upon Mr. Higgins, who presented Resolution No. 2 to the Board.

Resolution No. 2—Honoring SGA President Matthew Thompson

ACTION; MR. HIGGINS MADE A MOTION FOR THE ADOPTION OF RESOLUTION NO. 2 HONORING PRESIDENT MATTHEW THOMPSON. ON A SECOND BY MRS. CARTER, RESOLUTION NO. 2 WAS ADOPTED BY THE BOARD.

Following adoption of Resolution No. 2, the chair asked Mr. Higgins and Chancellor Hawkins to join him in presenting a framed copy of Resolution No. 2 to President Matthew Thompson.

Incoming SGA President Heath Barton was welcomed to the Board meeting. At the chair's request, President Barton made a few brief comments to the Board.

Resolution No. 2

Commending Matthew Thompson for his service as SGA president

WHEREAS, Matthew Thompson served as President of the Troy University Student Government Association for the 2014-2015 academic year; and

WHEREAS, Mr. Thompson has shown outstanding leadership qualities and has played an integral role in the progress of Troy University; and

WHEREAS, Mr. Thompson's administration was marked by his devotion to serving as a passionate advocate for the student body he represented; and

WHEREAS, Mr. Thompson's administration was marked by his dedicated support for the creation of a new student recreation facility on the Troy Campus;

WHEREAS, Mr. Thompson has done an outstanding job of representing the student body on the Board of Trustees, among the faculty and staff and in the greater community; and

WHEREAS, Mr. Thompson's term as SGA President came to an end during spring semester 2015,

THEREFORE BE IT RESOLVED, that the Board of Trustees hereby recognizes Mr. Matthew Thompson for hard work and exemplary leadership of the Student Government Association and wishes him the best for future success.

• **Finance Committee, Honorable John Harrison**

In his opening comments, Mr. Harrison addressed equity funding and shared information about funding across other institutions and how TROY University compares. He encouraged everyone to continue to speak with legislators and others about equity funding.

Continuing his report, Mr. Harrison complimented the Finance Committee for its bold visionary, futuristic-looking meeting on April 28 and making some tough decisions regarding the budget. Mr. Harrison added that the Finance Committee voted unanimously to give the Chancellor and Dr. Bookout the authorization to increase tuition by the maximum amount requested, which was up to \$293 (7.7% increase) but noted that this increase still leaves us a little short. Mr. Harrison said the Finance Committee accepted the requested tuition increase but challenged not only themselves but all administrative/staff members of the University to continue to scrub the figures. Mr. Harrison stated that the administration accepted that challenge and continued to scrub numbers and yesterday Dr. Bookout contacted him with the good news that following a further scrubbing of the figures, it was determined that the University could

accept Scenario #2 that was presented to the Finance Committee. It was noted that Scenario #2 represents a 5+ percent increase (See information on Scenario #2 noted below in Dr. Bookout's finance report section.) Mr. Harrison thanked the Chancellor and Dr. Bookout for continually looking at the numbers. He added that we all know how hard it is to raise tuition on students and parents and how devastating any increase will be on some, but it is necessary to fund the University.

o Finance Report— Dr. Jim Bookout

Mr. Harrison called upon Dr. Bookout to provide a finance committee report. Before beginning his presentation, Dr. Bookout echoed Mr. Harrison's comment about how difficult it is to have to raise tuition. He reassured SGA President Heath Barton that, as Mr. Harrison had stated, the student rec center is on the drawing board. Dr. Bookout added that he and Dr. Dew will co-chair a committee to begin discussions on the rec center, adding that he believes the students will be pleased with what the University has in mind.

In regard to tuition, Dr. Bookout said that the administration drills down to look at all options with a tuition increase being the very last option. Dr. Bookout briefly outlined the arduous process used as the budget recommendations are prepared and all revenues, expenses, and changes in credit hour production are reviewed.

Dr. Bookout outlined 2016 revenue considerations and shared numbers of projected reduction in revenues expected compared to additional revenue or cost reductions to offset the reduced revenue. Projected revenue reduction in FY 2016 is \$11.7m. In ways that could help the University overcome this reduction, several categories were mentioned such as a \$2.2m increase in State ETF appropriation from 2015 level, \$7.1m tuition increase, \$2.2m revenue from new housing facility, \$2.0m transfer of investment earnings to cover scholarships, \$500k transfer of health insurance reserve for scholarship use, and \$1.3m reduction in projected expenses. This additional revenue shared by Dr. Bookout would total \$15.3m. He added that the very last thing the University can do to offset the reduced revenue is to look at cutting expenses even further.

Dr. Bookout shared a comparison of the proposed TROY University tuition increase with other state institutions. He said as we look going forward regarding a tuition increase the Finance Committee, in making its recommendation, reviewed the following scenarios.:

The current undergraduate tuition rate is \$272.00 per credit hour – scenario increases are as follows:

- Scenario 1 - \$285.00 – will generate an additional \$2,909,919
- Scenario 2 - \$287.00 – will generate an additional \$3,357,599
- Scenario 3 - \$290.00 – will generate an additional \$4,029,118
- Scenario 4 - \$293.00 – will generate an additional \$4,700,638

The current graduate tuition rate is \$365.00 per credit hour – scenario increases are as follows:

- Scenario 1 - \$397.00 – will generate an additional \$822,998
- Scenario 2 - \$397.00
- Scenario 3 - \$397.00
- Scenario 4 - \$397.00

Dr. Bookout said that each scenario contains all of our standard revenue categories with the following items representing new sources of revenue:

1. Transfer of Investment Earnings from the Foundation to fund scholarships - \$2,000,000
2. Transfer of excess Health Insurance reserve funds to fund scholarships - \$500,000
3. Increase in state appropriations - \$2,153,019
4. Additional revenue generated by changing the graduate and undergraduate tuition rate

Dr. Bookout shared numbers relating to each scenario reviewed by the Finance Committee and said that if we increase undergraduate tuition from \$272 per credit hour to \$285, the projected revenue totals \$225,836,913 and with the current "DRAFT" example of the expense budget totaling \$229,063,678, we have an unbalanced revenue and expense budget shortfall of \$3,226,765. Dr. Bookout said this "shortfall" becomes smaller under scenarios 2, 3, and 4 as undergraduate tuition rates increase to \$287, \$290 and \$293.

Dr. Bookout emphasized that throughout this budget process, the administration continued to scrub the expense budget in order to close the gap between projected revenue and expenses. Dr. Bookout said

increasing tuition was the absolute last thing we had to consider in order to balance the budget, and he said there are three forces that have led us down this path:

- 1) credit hour production projections decreased by 42,000 hours from last year
- 2) scholarships increased by \$6 million—more students qualifying for scholarships
- 3) the investment in Athletics increased by \$1.9 million over this year

In conclusion, Dr. Bookout stated that after continuing to scrub the numbers as late as yesterday, the recommendation to the Board is Scenario #2 which is outlined above.

Mr. Higgins commended the Finance Committee for its good work in reviewing numbers in order to make a recommendation. However, Mr. Higgins stated that he had only one concern in that whatever the Board passes it needs to be contingent on the anticipated \$2m ETF state appropriation. Mr. Higgins stated that he thinks we need to be clear in our message back to the Legislature that we raised tuition based on the \$2m equity funding in 2016, as has been promised, and that it remains in the budget. Dr. Bookout added that this is a very good point.

Dr. Bookout shared with Board members a performance summary on Funds Held for Investment. He added that he was pleased to report that we have a very good asset allocation—60% equity and 40% fixed income. Dr. Bookout stated that we have a very diversified investment schedule. The bottom line, he said, is that we have \$30m investments with the Foundation which is being overseen by the Foundation Stewardship Committee based on its policies.

Before introducing the resolutions on behalf of the Finance Committee, Mr. Harrison reminded Board members that the facilities report would not be covered in the meeting but that a copy had been provided to Board members by Dr. Bookout.

o Resolution No. 3—Tuition

Following Dr. Bookout's finance report, Mr. Harrison stated that on the recommendation of the Finance Committee, Scenario #2 (see Dr. Bookout's finance report) is being presented to the Board for approval for tuition. This scenario raises the undergraduate tuition from \$272 to \$287 and it was noted that there is a slight increase in student fees.

On behalf of the Finance Committee, Mr. Harrison made a recommendation that Resolution No. 3 be approved. The chair called for discussion.

Dr. Doug Hawkins made brief comments and stated that he believes the University is moving in the right direction. However, he thinks the Board, the administration, etc. needs to work toward a plan to address the erosion of our students and how to continue to address equity. Dr. D. Hawkins added that last year he made a decision that he would not vote for another tuition increase this year. He clarified his statement saying he will not vote for the increase nor would he vote against it.

Mr. Nailen agreed with Dr. D. Hawkins' comments. He echoed Dr. D. Hawkins' remarks that the families/students the University serves have not had their incomes increase in recent years. He stressed that the bottom line is recruiting/retention. The equity funding piece is complicated and we need to continue to address equity with the Legislature. Mr. Nailen added that it would be helpful to have a discussion to help everyone have a better understanding about equity funding, and suggested that this discussion possibly at the July retreat.

Common threads touched on by several Board members in their comments centered around: (1) the recruiting piece, (2) the right-sizing piece, and (3) the funding piece. Mr. Nailen added that if these 3 things come together we will not be having to look at tuition increases in the future.

At this point, Senator Dial, in regard to his role in the Legislature, spoke about equity funding. He stated that one of the most difficult tasks when TROY consolidated into "One Great University" was combining all campus budgets into one. He noted that Montgomery and Phenix City were not funded at the level of the other campuses and this may have started off the equity funding issue. Senator Dial credited the Governor saying the budget he sent over had a \$5m

increase for TROY University. When the budget got to the Senator the \$5m was taken out and through negotiations \$2m was put back in the budget with a promise of \$3m next year which would get the University the \$5m. Senator Dial emphasized that this has been a very difficult budget year. The new ETF had \$54m and off the top of that came \$28m to fund the Pre-paid College Tuition Plan. Senator Dial remarked that we are all dedicated to working on equity.

Mr. Vance commented that a lot of people helped get the Governor to give the \$5m but had it not been for Gerald Dial being there we may have not received any additional funds. Mr. Crowell added that the Finance Committee, the Chancellor, Dr. Bookout and others have done an outstanding job.

Following the discussion, Senator Dial called on Mr. Harrison to introduce Resolution No. 3.

Resolution No. 3

ACTION: THE CHAIR CALLED FOR A MOTION ON RESOLUTION NO. 3. MR. HARRISON MADE A MOTION TO ADOPT RESOLUTION NO. 3 CHANGING THE TUITION RATES AND FEE STRUCTURE. A SECOND WAS PROVIDED BY MR. VANCE. THERE BEING NO FURTHER DISCUSSION, RESOLUTION NO. 3 WAS ADOPTED.

Resolution No. 3

Changing the Tuition Rates and Fee Structure

WHEREAS, Troy University is expecting to receive an increase in its state appropriations totaling \$2.2 million for the fiscal year 2016, and is expected to receive an increase of \$ 2 million for the fiscal year 2017; and

WHEREAS, Troy University has become a self-reliant, tuition driven institution, only through good stewardship of its resources, sound financial management, and its entrepreneurial spirit has it been able to not only sustain itself during a declining economy but advance its mission; and

WHEREAS, Troy University's current tuition structure is as follows; and

1. Undergraduate per credit hour tuition - \$272
2. Graduate per credit hour tuition from - \$365
3. Global Campus Troy tuition - undergraduate per credit hour tuition - \$250 In-Class; \$326 On-Line
4. Global Campus Troy tuition - graduate per credit hour tuition - \$330 In-Class; \$488 On-Line

WHEREAS, Troy University's current fee structure is as follows; and

1. Student dining fee of \$250 per term for Troy campus students taking 9+ cr. hr.'s (unless all 9 are online)
2. General Fee - \$39.00 per credit hour

WHEREAS, Troy University's proposed tuition structure is as follows; and

1. Undergraduate per credit hour tuition - \$287
2. Graduate per credit hour tuition from - \$397
3. Global Campus Troy tuition - undergraduate per credit hour tuition - \$250 In-Class; \$338 On-Line
4. Global Campus Troy tuition - graduate per credit hour tuition - \$330 In-Class; \$494 On-Line

WHEREAS, Troy University's proposed fee structure is as follows; and

1. Student dining fee of \$275 per term for Troy campus students taking 9+ cr. hr.'s (unless all 9 are online)
2. General Fee - \$39.00 per credit hour

THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES that Troy University proposes to increase the tuition and fee structure, as proposed, with the understanding that the Chancellor is authorized to set the final rate at some date after the legislative budget process is final.

o **Resolution No. 4—Student Recreation Fee**

At the chair's request, Mr. Harrison introduced Resolution No. 4 and reiterated his statements from earlier in the meeting saying that the student recreation fee of \$100 per semester, except summer which will be \$50, will help provide a state-of-the-art recreation facility for the students. The guidelines are listed in more detail in the following resolution. It was noted that the effective startup date of fee will be fall 2016.

On behalf of the Finance Committee, Mr. Harrison presented Resolution No. 4 for consideration by the Board. Action by the Board is reflected below.

Resolution No. 4

ACTION; MR. HARRISON MADE A MOTION TO ADOPT RESOLUTION NO. 4. A SECOND TO THE MOTION WAS MADE BY MR. HIGGINS. WITH NO FURTHER DISCUSSION, RESOLUTION NO. 4 ESTABLISHING A STUDENT FEE TO FUND A STUDENT RECREATION CENTER ON THE TROY CAMPUS WAS APPROVED.

Resolution No. 4

Establishing a student fee to fund a student recreation center on the Troy Campus

WHEREAS, student use of recreation facilities on the Troy University campus has continued to increase to reach maximum usage; and

WHEREAS, providing state-of-the-art recreation facilities are a significant factor in recruiting traditional students in today's higher education setting; and

WHEREAS, providing attractive and functional recreation facilities assist in retaining students; and

WHEREAS, the Student Government Association of Troy University has conducted student polls and conversations over several years and has endorsed the need for improving student recreation facilities and increasing student fees to pay for these improvements;

THEREFORE BE IT RESOLVED, that the Board of Trustees hereby approves the addition of up to \$100 per semester recreation fee (fall and spring semesters) for all students on the Troy Campus taking 6 or more credit hours, and \$50 during the summer term to be applied to Troy Campus students taking three or more credit hours, to be used for construction and operation of a new Student Recreation Center and improvements necessary to support student activities in the Trojan Center, with the understanding that the Chancellor is authorized to modify the final rates over time based on the size, scope, and operational costs of student recreation facilities. Troy University will begin to collect this fee in the Fall of 2016.

o **Resolution No. 5—2015 Bond Issue**

Mr. Harrison advised that a summary of Resolution No. 5 is included below along with the full resolution to be approved. He added that Resolution No. 5 would approve the refunding of two bond issues—2006 and 2007. In Resolution No. 5 part of the proceeds of the bond refunding will be designated for use in completing the North End Zone of Troy University's Veterans Memorial Stadium and possibly the student recreation facility, and it will give the Chancellor and Dr. Bookout the authority to sell the bonds. On behalf of the Finance Committee, Mr. Harrison made the recommendation for approval of Resolution No. 5. He added that the Finance Committee reviewed this thoroughly and the committee makes this recommendation for approval.

ACTION: THE CHAIR CALLED FOR A MOTION TO APPROVE RESOLUTION NO. 5. MR. HARRISON STATED THAT HE WAS NOT NAMING A MOTION BUT BRINGING FORWARD A RECOMMENDATION ON BEHALF OF THE FINANCE COMMITTEE. MR. HARRISON RESPONDED TO A QUESTION FROM MR. OWEN IN REGARD TO THE AMOUNT OF PROCEEDS TO BE REALIZED FROM THE REFUNDING. HE STATED THAT IT WOULD BE APPROXIMATELY BETWEEN 40 AND 55M BASED ON WHAT PAYOFFS ARE AT THE TIME AND WHAT THE INTEREST RATES WILL BE (WHICH WILL BE LESS THAN CURRENTLY BEING PAID). MR. CROWELL MADE A MOTION TO ADOPT RESOLUTION NO. 5. MRS. CARTER PROVIDED A SECOND TO THE MOTION. THERE BEING NO FURTHER DISCUSSION, RESOLUTION NO. 5 WHICH FOLLOWS THE SUMMARY BELOW WAS ADOPTED.

SUMMARY

BOND RESOLUTION NO. 5

Renovations/Improvements: North End Zone

WHEREAS, the Chancellor and senior administrative staff of Troy University (the "University") have determined to proceed with the construction of the North End zone of Troy University's Veterans Memorial Stadium and the refinancing of certain University bonds through a Series 2015 bond issuance; and

WHEREAS, Pursuant to the authorization to do so contained in the General Bond Resolution and in Section 16-3-28, Code of Alabama (1975), as amended, the Series 2015 Bonds are hereby authorized to be issued, as one or more series of Bonds under the General Bond Resolution, in an aggregate principal amount currently estimated at \$40,000,000, but not to exceed \$55,000,000. The current expectation is that one series of Bonds will be issued to refund the Series 2007 Bonds, refund, defease and retire the Series 2006 Bonds and acquire the Trojan Village facilities from The Troy Public Educational Building Authority and Troy University Housing, LLC and to fund the costs of the Facilities described in Section 2.1(a) hereof; however the Series 2015 Bonds may be issued in more than one series at the discretion of the Chancellor and Treasurer.

WHEREAS, The Series 2015 Bonds shall be issued, if at all, subject to the discretion of the Chancellor and Treasurer, in consultation with the University's financial professionals, based on prevailing market conditions at the time or times of the proposed sale thereof. The issuance of any part, series or sub-series of the Series 2015 Bonds shall in itself conclusively evidence the determination by the Chancellor and the Treasurer that market conditions at that time warranted the issuance of that part, series or sub-series of the Series 2015 Bonds. The Series 2015 Bonds may be sold by public or private sale at the discretion of the Chancellor and Treasurer, in consultation with the University's financial professionals, and the Chancellor and Treasurer are authorized to take any actions necessary to conduct a private or public sale of the Series 2015 Bonds as they may deem appropriate.

THEREFORE, BE IT RESOLVED, The Board hereby authorizes and entrusts the Chancellor and Treasurer to determine or prescribe, in the Series 2015 Determination Document, which shall constitute an integral part of this Series Resolution, such of the other terms, provisions and other matters relative to the Series 2015 Bonds enumerated in Section 2.4(c) of the General Bond Resolution as they deem necessary or desirable. The net interest cost

of any Series 2015 Bonds issued as a series of Tax-Exempt Bonds shall not exceed 5.000% and the net interest cost of any Series 2015 Bonds issued as a series of Taxable Bonds shall not exceed 7.000%.

NOTE: SEE SECTION ABOVE FOR ACTION ON RESOLUTION NO. 5

**TROY
UNIVERSITY**

**FACILITIES REVENUE BONDS
SERIES 2015 BOND
RESOLUTION**

Adopted May 8, 2015

FACILITIES REVENUE BONDS
SERIES 2015 BOND RESOLUTION

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**RESOLUTION AUTHORIZING THE ISSUANCE BY TROY UNIVERSITY
OF UP TO \$55,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF
FACILITIES REVENUE BONDS, SERIES 2015**

WHEREAS, the University has determined that it is necessary, advisable, in the interest of the University and in the public interest that the University issue its facilities revenue bonds under the General Bond Resolution to refund certain Prior Bonds, to refinance the Series 2006 Bonds and acquire the related Facilities and to provide funds for the purchase, construction, enlargement or alteration certain Facilities as described herein.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF TROY UNIVERSITY, as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. In addition to the words and terms defined in the General Bond Resolution, which are incorporated herein by reference, unless the context or use clearly indicates another or different meaning or intent:

"Additional Bonds" means any Bonds issued in accordance with Section 2.3 of the General Bond Resolution.

"Affiliate" means, as to any Person, any other Person that directly, or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, that Person.

"Auxiliary Enterprise Revenues" means all amounts received or collected by or on behalf of the University from the use and operation of Auxiliary Enterprises, including all revenues, rents, fees, charges or other income of any kind from any source, including without limitation any proceeds of business interruption insurance and temporary condemnation awards in respect of Auxiliary Enterprises.

"Auxiliary Enterprises" means all facilities operated by or on behalf of the University offering or providing goods and/or services ancillary to and apart from the provision of education or the administration of the University, including without limitation facilities offering or providing housing, dining, books and supplies, athletic events, cultural or entertainment events, and similar functions or purposes.

"Board" means the Board of Trustees of the University and any successor to its duties.

"Bond Counsel" any attorney or firm of attorneys nationally recognized on the subject of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

"Bond Fund" means the Bond Fund which was created and established by Section 4.3 of the General Bond Resolution.

"Bonds" means the Series 2009 Bonds, the Series 2010 Bonds, the Series 2014 Bonds, the Series 2015 Bonds and any Additional Bonds hereafter issued pursuant to the provisions of the General Bond Resolution.

"Business Day" means any day other than a day on which banking institutions are required or authorized to remain closed in either of the following locations: (i) the city in which the Trustee's Office is located, or (ii) the City of New York, New York.

"Chancellor" means the Chancellor of the University.

"Code" means the Internal Revenue Code of 1986, as amended. References to the Code and Sections thereof include relevant applicable temporary, proposed or final regulations thereunder and under any predecessor provisions of the Internal Revenue Code of 1954, as amended.

"Credit Enhancement" means a municipal bond insurance policy, a letter of credit, a surety bond or other credit enhancement facility covering the payment of debt service on any Bonds.

"Determination Document" means a certificate of the University, executed by the Chancellor and Treasurer and delivered on or prior to the Issue Date of any Bonds, which (a) determines or prescribes any terms, provisions and other matters relative to those Bonds that are authorized and entrusted by the applicable Series Resolution to be determined or prescribed therein, and (b) as such, constitutes an integral part of such Series Resolution.

"Extraordinary Services" and "Extraordinary Expenses" mean all services rendered and all expenses incurred under the General Bond Resolution other than Ordinary Services and Ordinary Expenses.

"Facilities" means, as provided by State law, the purchase, construction, enlargement or alteration of any buildings or other improvements, including dormitories, dining halls, classrooms, laboratories, libraries, stadiums, administration buildings and any other buildings and appurtenances thereto suitable for use by the University, the acquisition of furniture and equipment for any thereof, the purchase of land, the beautification of grounds and the construction of swimming pools, tennis courts, athletic fields and other facilities for physical education, all for use by the University; and such other capital purposes as may hereafter be authorized or permitted under State law.

"Fiduciaries" means the Trustee, the Registrar and any Paying Agent, and their respective successors and assigns.

"Fiscal Year" means the period of twelve (12) months from October 1st of one year through and including September 30th of the following year, or such other fiscal year as may hereafter be adopted by the Board.

"Funds" means the Bond Fund and any other Fund that may hereafter be established with the Trustee in connection with any series of Bonds, as contemplated in Section 2.4(c)(13) of the General Bond Resolution.

"General Bond Resolution" means Resolution No. 3 adopted by the Board on July 24, 2009, as the same may hereafter be amended or supplemented in accordance with the provisions hereof.

"General Student Fees" means the tuition payable by students attending the University and available for any general purpose authorized or approved by the Board, but excludes Special Student Fees.

"Government Obligations" means (a) direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, or (b) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully and unconditionally guaranteed as a full faith and credit obligation by the United States of America.

"Holder" or "Bondholder" means the Person in whose name a Bond is registered on the books kept and maintained by the Registrar for the registration and transfer of Bonds.

"Issue Date" means, as to the Series 2015 Bonds, the date or dates of the initial authentication and delivery thereof.

"Maximum Annual Debt Service" means the maximum amount payable annually in any Fiscal Year as principal of and interest on all outstanding Bonds or Prior Bonds, as the case may be.

"Moody's" means Moody's Investors Service, Inc., New York, New York.

"Net Proceeds", when used with reference to the Series 2015 Bonds, means the face amount of the Series 2015 Bonds, plus accrued interest and premium, if any, less original issue discount and less proceeds deposited in a reserve fund, if any.

"Ordinary Services" and "Ordinary Expenses" mean those services normally rendered and those expenses normally incurred by a trustee or other fiduciary under instruments similar to this General Bond Resolution.

"Outstanding", as applied to Bonds, means all Bonds which have been authenticated and delivered under the General Bond Resolution, except:

(a) Bonds cancelled upon surrender, exchange or transfer, or because of payment or redemption prior to maturity;

(b) Bonds, or any portion thereof, for the payment, redemption or purchase for cancellation of which sufficient moneys have been deposited and credited with the Trustee or any Paying Agents (whether upon or prior to the maturity, purchase or redemption date of

those Bonds); provided, that if any of those Bonds are to be redeemed prior to their maturity, notice of that redemption shall have been given or arrangements satisfactory to the Trustee shall have been made for giving notice of that redemption, or waiver by the affected Holders of that notice satisfactory in form to the Trustee shall have been filed with the Trustee; and

(c) Bonds in exchange for or in lieu of which others have been authenticated and delivered under Section 2.8 hereof;

provided, however, that in determining whether the Holders of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Bonds owned by the University, any other obligor with respect to the Bonds or any Affiliate of either of the foregoing shall be disregarded and deemed not to be Outstanding; except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Trustee knows to be so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for such purposes if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the University, any other obligor with respect to the Bonds or any Affiliate of either of the foregoing. The term "Outstanding", when used in this General Bond Resolution with reference to Prior Bonds authenticated and delivered under the Prior Bond Resolution, shall have the same definition and be subject to the same exceptions.

"Paying Agent" means the Trustee and any other bank or trust company designated as a Paying Agent by or in accordance with Section 6.9 of the General Bond Resolution.

"Person" includes natural persons, firms, associations, partnerships, trusts, corporations, limited liability companies and public bodies.

"Prior Bond Resolution" means the resolution adopted by the Board on August 15, 1969 entitled "A RESOLUTION PROVIDING FOR THE CONSTRUCTION OF IMPROVEMENTS TO THE STADIUM AT THE CAMPUS OF TROY STATE UNIVERSITY, AT TROY, ALABAMA, FOR THE FINANCING THEREOF BY THE ISSUANCE OF REVENUE BONDS IN THE PRINCIPAL AMOUNT OF \$70,000, PAYABLE FROM STUDENT FEES FOR THE SECURING OF THE PAYMENT OF THE PRINCIPAL OF AND THE INTEREST ON SUCH BONDS; RESERVING THE RIGHT TO ISSUE ADDITIONAL BONDS PAYABLE FROM SUCH FEES ON A PARITY OF LIEN WITH SUCH BONDS, AND MAKING PROVISIONS INCIDENT THERETO," as modified, amended and supplemented by resolutions supplemental thereto numbered Nos. 1, 9 and 15 adopted by the Board on August 14, 1970, May 30, 1997, and September 10, 2005, respectively.

"Prior Bonds" means the outstanding obligations heretofore issued by the University under and in accordance with the Prior Bond Resolution.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural Person or in any activity carried on by a Person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public.

"Purchaser" means the original purchaser or purchasers of any series of Bonds.

"Rating Agency" means Moody's or S&P, their respective successors and assigns, and any other nationally recognized securities rating agency.

"Record Date" means, as to any series of Bonds, the 15th day (whether or not a Business Day) next preceding an interest payment date with respect to those Bonds.

"Refunded Bonds" means the Series 2006 Bonds and Series 2007 Bonds; provided, that the Chancellor and the Treasurer may provide in the Series 2015 Determination Document to amend this definition to not refund the Series 2006 Bonds or the Series 2007 Bonds or to only refund a portion thereof as provided herein.

"Refunded Bonds Trustee" means Regions Bank as trustee under the Prior Bond Resolution pursuant to which the Series 2007 Bonds were issued and under the Series 2006 Indenture pursuant to which the Series 2006 Bonds were issued.

"Register" means the books kept and maintained by the Registrar for registration and transfer of Bonds.

"Registrar" means the Trustee.

"Resolution" means a resolution duly adopted by the Board.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.

"SEC" means the Securities and Exchange Commission.

"Series Resolution" means, as to the Series 2015 Bonds, this Resolution.

"Series 2006 Bonds" means \$22,410,000 aggregate principal amount of Dormitory Revenue Bonds (Troy University Housing, LLC Project), Series 2006 issued by The Troy Public Educational Building Authority,

"Series 2006 Indenture" means the Trust Indenture, dated as of September 1, 2006, between The Troy Public Educational Building Authority and Regions Bank, as trustee, pursuant to which the Series 2006 Bonds were issued.

"Series 2007 Bonds" means the University's General Student Fee Revenue Bonds, Series 2007, dated July 1, 2007, and originally issued in the aggregate principal amount of \$13,000,000.

"Series 2009 Bonds" means the University's Facilities Revenue Bonds, Series 2009A, dated September 29, 2009, and originally issued in the aggregate principal amount of \$14,590,000 and Taxable Facilities Revenue Bonds, Series 2009B (Build America Bonds), dated September 29, 2009, and originally issued in the aggregate principal amount of \$48,180,000, collectively.

"Series 2010 Bonds" means the University's Facilities Revenue Bond, Series 2010-A, dated December 14, 2010, and originally issued in the aggregate principal amount of \$19,400,000 and Facilities Revenue Bond, Series 2010-B (Taxable Build America Bond – Direct Payment), dated December 14, 2010, and originally issued in the aggregate principal amount of \$16,080,000, collectively.

"Series 2014 Bonds" means the University's Facilities Revenue Bond, Series 2014-A, dated May 29, 2014, and originally issued in the aggregate principal amount of \$3,655,000 and Facilities Revenue Bond, Series 2014-B, dated May 29, 2014, and originally issued in the aggregate principal amount of \$15,060,000, collectively.

"Series 2015 Bonds" means any of the Bonds authorized to be issued hereunder.

"Series 2015 Construction Account" means the account or accounts provided to be established in Section 3.4 hereof.

"Series 2015 Determination Document" means the Determination Document relative to the Series 2015 Bonds, which may have such name or names as the Chancellor and the Treasurer shall determine based on the designation given to the related Series 2015 Bonds.

"Special Record Date" means, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest on that Bond pursuant to Section 2.7 hereof.

"Special Student Fees" means all special fees or charges on students or prospective students now or hereafter levied by the University, in the nature of, and including, without limitation, all lab fees, change of course fees, transcript fees, student activity fees, general University fees, application fees, deferred payment fees, registration fees, continuing education fees, pre-college counseling fees, administrative fees, technology fees, withdrawal fees, and all other similar fees or charges (a) apart from and in addition to General Student Fees, and (b) exclusive of Auxiliary Enterprise Revenues.

"Supplemental Resolution" means any resolution of the Board adopted and becoming effective in accordance with the terms of the General Bond Resolution.

"State" means the State of Alabama.

"Tax Compliance Certificate" means a closing certificate of the University, executed by the Chancellor or Treasurer and delivered in connection with Bonds issued or issuable on a Tax-Exempt or Tax-Favored basis, which makes or contains such representations, covenants, elections or designations on the part of the University as Bond Counsel or the Purchaser thereof shall request to evidence the Tax-Exempt or Tax-Favored status, as the case may be, of those Bonds and the commitment of the University to maintain the same.

"Taxable" means, when used in reference to Bonds, that interest thereon is includable in the gross income of any owner thereof for federal income tax purposes and that such Bonds are not Tax-Favored.

"Tax-Exempt" means, when used in reference to Bonds, that interest thereon is excluded from

gross income for federal income tax purposes under Section 103(a) of the Code.

"Tax-Favored" means, when used in reference to Bonds, that owners thereof are entitled to a credit for federal income tax purposes, or that the University is entitled to a cash subsidy from the federal government, in respect of a portion of the interest thereon, in each case under Section 54AA of the Code.

"Treasurer" means the Treasurer of the University.

"Trustee" means the trustee at the time serving as such under the General Bond Resolution, presently, Regions Bank, Birmingham, Alabama.

"Trustee's Office" means the office from time to time designated by the Trustee, or its successor in trust, as its principal corporate trust office for purposes of discharging its trusts and duties under the General Bond Resolution, which office as of the date hereof is located at 1900 Fifth Avenue North, 25th Floor, Birmingham, Alabama 35203.

"University" means Troy University, a public corporation and instrumentality of the State, its successors and assigns.

Section 1.2 Interpretation. Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa; the terms "hereof", "hereby", "herein", "hereto", "hereunder" and similar terms refer to this Resolution; and the term "hereafter" means after, and the term "heretofore" means before, the date of adoption of this Resolution. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

Section 1.3 Captions and Headings. The captions and headings in this Resolution are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

[END OF ARTICLE I]

ARTICLE II

FINDINGS, DETERMINATIONS AND REPRESENTATIONS

Section 2.1 Findings. The Board, upon evidence duly submitted to and considered by it, has ascertained and found and does hereby declare, represent and state that:

(a) The Series 2015 Bonds shall be issued to (i) refund the Series 2007 Bonds; provided that the Chancellor and Treasurer may determine, in consultation with the professional advisors retained by the University with regard to the issuance of the Series 2015 Bonds, and may provide in the Series 2015 Determination Document, not to refund the Series 2007 Bonds or to refund only a portion thereof, (ii) refund, defease and retire the Series 2006 Bonds and acquire the Trojan Village facilities from The Troy Public Educational Building Authority and Troy University Housing, LLC; provided that the Chancellor and Treasurer may determine, in consultation with the professional advisors retained by the University with regard to the issuance of the Series 2015 Bonds, and may provide in the Series 2015 Determination Document, not to defease and retire the Series 2006 Bonds or to defease and retire only a portion thereof, (iii) pay or reimburse all or any part of the cost of certain Facilities, currently expected to consist of and include construction and equipping of (1) an addition to Adams Administration Building, (2) renovations to Stewart Hall, (3) renovations to the Math /Science Complex, (4) new athletic facilities to be located in the north end zone of Veterans Memorial Stadium and (5) parking facilities on the main campus of the University located in the City of Troy, Alabama; provided, however, that the Chancellor and Treasurer are hereby authorized and entrusted to add to, delete from or otherwise modify the foregoing list of Facilities to be provided from the proceeds of the Series 2015 Bonds and (iv) pay or reimburse the costs and expenses of issuing the Series 2015 Bonds, including the cost of Credit Enhancement, if any, that may be obtained with respect to the Series 2015 Bonds. The Series 2006 Bonds were issued for the benefit of the University by The Troy Public Educational Building Authority to finance the construction of Trojan Village. Subject to the discretion provided herein to the Chancellor and Treasurer, a portion of the proceeds of the Series 2015 Bonds will be used to defease and retire the Series 2006 Bonds and to acquire ownership of the Trojan Village facilities from The Troy Public Educational Building Authority and Troy University Housing, LLC.

(b) The only Bonds currently outstanding under the General Bond Resolution are the University's Facilities Revenue Bonds, Series 2009A, dated September 29, 2009, which are currently outstanding in the aggregate principal amount of \$11,715,000, its Taxable Facilities Revenue Bonds, Series 2009B (Build America Bonds), dated September 29, 2009, which are currently outstanding in the aggregate principal amount of \$45,430,000, its Facilities Revenue Bond, Series 2010-A, dated December 14, 2010, which is currently outstanding in the aggregate principal amount of \$10,890,000, its Facilities Revenue Bond, Series 2010-B (Taxable Build America Bond – Direct Payment), dated December 14, 2010, which is currently outstanding in the aggregate principal amount of \$14,165,000, its Facilities Revenue Bond, Series 2014-A, dated May 29, 2014, which is currently outstanding in the aggregate principal amount of \$3,070,000 and its Facilities Revenue Bond, Series 2014-B,

dated May 29, 2014, which is currently outstanding in the aggregate principal amount of \$14,977,500. The only Prior Bonds currently outstanding under the Prior Bond Resolution are the University's General Student Fee Revenue Bonds, Series 2007, dated July 1, 2007, which are currently outstanding in the aggregate principal amount of \$13,000,000. The University expects to refund all of the outstanding Series 2007 Bonds in connection with the issuance of the Series 2015 Bonds, subject to prevailing market conditions when the Series 2015 Bonds are offered for sale.

(c) The University is not presently in default in the payment of the principal of or interest on any Bonds or Prior Bonds now outstanding or in its obligations with respect to the Series 2006 Bonds.

[END OF ARTICLE II]

ARTICLE III

SERIES 2015 BONDS

Section 3.1 Authorization and Issuance of Series 2015 Bonds. This Resolution constitutes a Series Resolution under the General Bond Resolution in order to provide for the issuance of the Series 2015 Bonds.

Pursuant to the authorization to do so contained in the General Bond Resolution and in Section 16-3-28, Code of Alabama (1975), as amended, the Series 2015 Bonds are hereby authorized to be issued, as one or more series of Bonds under the General Bond Resolution, in an aggregate principal amount currently estimated at \$40,000,000, but not to exceed \$55,000,000. The current expectation is that one series of Bonds will be issued to refund the Series 2007 Bonds, refund, defease and retire the Series 2006 Bonds and acquire the Trojan Village facilities from The Troy Public Educational Building Authority and Troy University Housing, LLC and to fund the costs of the Facilities described in Section 2.1(a) hereof; however the Series 2015 Bonds may be issued in more than series at the discretion of the Chancellor and Treasurer.

The Series 2015 Bonds shall be issued, if at all, subject to the discretion of the Chancellor and Treasurer, in consultation with the University's financial professionals, based on prevailing market conditions at the time or times of the proposed sale thereof. The issuance of any part, series or sub-series of the Series 2015 Bonds shall in itself conclusively evidence the determination by the Chancellor and the Treasurer that market conditions at that time warranted the issuance of that part, series or sub-series of the Series 2015 Bonds. The Series 2015 Bonds may be sold by public or private sale at the discretion of the Chancellor and Treasurer, in consultation with the University's financial professionals, and the Chancellor and Treasurer are authorized to take any actions necessary to conduct a private or public sale of the Series 2015 Bonds as they may deem appropriate.

At the time of issuance of the Series 2015 Bonds, the University shall file with the Secretary of the Board and the Trustee the same items that are required, pursuant to Section 2.3 of the General Bond Resolution, to be so filed prior to the issuance of any series of Additional Bonds.

Section 3.2 Certain Terms and Provisions of Series 2015 Bonds.

(a) The Board hereby determines and prescribes the following terms, provisions and other matters relative to the Series 2015 Bonds:

(1) The Series 2015 Bonds shall be issued, subject to the discretion of the Chancellor and Treasurer of the University, in consultation with Bond Counsel and the other professionals advising the University in connection with the issuance of the Bonds, at such time or times, in one or more series or sub-series, and on a Tax-Exempt and/or (if and to the extent required under the Code) Taxable basis. Reference is made to Section 3.3 hereof for certain representations and covenants of the University in respect of any Series 2015 Bonds issued on a Tax-Exempt basis.

(2) The Series 2015 Bonds shall be generally designated "Troy University, Facilities Revenue Bonds, Series 2015", with such other or special designations as to any part, series or sub-series thereof, if any, as the Chancellor and Treasurer are hereby authorized and entrusted to set forth in the Series 2015 Determination Document; and shall be fully registered as to both principal and interest, with each separate series or sub-series thereof numbered consecutively from R-1 upwards.

(3) The University will not fund or provide for a reserve fund for the Series 2015 Bonds, unless the Chancellor and Treasurer determine that a reserve fund is necessary to obtain the most favorable terms for the financing of the 2015 Project (as defined in (4) below).

(4) Because a substantial portion of the proceeds of the Series 2015 Bonds will be applied to pay costs of the Facilities described in Section 2.1(a) (hereinafter referred to, collectively, as the "2015 Project"), the University will establish the Series 2015 Construction Account, more fully described in Section 3.4 hereof.

(5) The proceeds of the Series 2015 Bonds shall be used as provided in Section 2.1(a) hereof, subject to the discretion permitted therein and in the General Bond Resolution.

(b) Subject to the conditions set forth below in this subsection (b), the Board hereby authorizes and entrusts the Chancellor and Treasurer to determine or prescribe, in the Series 2015 Determination Document, which shall constitute an integral part of this Series Resolution, such of the other terms, provisions and other matters relative to the Series 2015 Bonds enumerated in Section 2.4(c) of the General Bond Resolution as they deem necessary or desirable. The net interest cost of any Series 2015 Bonds issued as a series of Tax-Exempt Bonds shall not exceed 5.000% and the net interest cost of any Series 2015 Bonds issued as a series of Taxable Bonds shall not exceed 7.000%.

Section 3.3 Tax-Related Representations and Covenants. Any reference in this Section 3.3 to the "Series 2015 Bonds" shall be deemed to refer, on a series by series (or sub-series) basis, only to that series or those series (or sub-series) of Series 2015 Bonds issued on a Tax-Exempt basis. The University makes the following representations, warranties and covenants as the basis for its issuance of the Series 2015 Bonds, which representations, warranties and covenants are intended to be relied upon:

(a) The University warrants that the interest on any Tax-Exempt Series 2015 Bonds is and will continue to be excludable from the gross income of the owners thereof for federal income tax purposes. The University will continuously comply with all requirements imposed by the Code as conditions to the exclusion from gross income for federal income tax purposes of the interest on any Tax-Exempt Series 2015 Bonds.

(b) The University will not apply or permit the proceeds of the Series 2015 Bonds to be applied in a manner that would cause any of them to be deemed "private activity bonds"

within the meaning of Section 141 of the Code. The University shall assure that (i) not in excess of ten percent (10%) of the Net Proceeds of the Series 2015 Bonds is used for Private Business Use if, in addition, the payment of more than ten percent (10%) of the principal or ten percent (10%) of the interest due on the Series 2015 Bonds during the term thereof is, under the terms of the Series 2015 Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the University, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of five percent (5%) of the Net Proceeds of the Series 2015 Bonds are used for a Private Business Use, and (B) an amount in excess of five percent (5%) of the principal or five percent (5%) of the interest due on the Series 2015 Bonds during the term thereof is, under the terms of the Series 2015 Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the University, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said five percent (5%) of Net Proceeds of the Series 2015 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of a portion of the projects financed with the Net Proceeds and shall not exceed the proceeds used for the governmental use of the portion of such projects to which such Private Business Use is related.

(c) The University shall assure that not in excess of the lesser of five percent (5%) of the Net Proceeds of the Series 2015 Bonds or five million dollars are used, directly or indirectly, to make or finance a loan (other than loans constituting nonpurpose investments (within the meaning of section 148(f)(6)(A) of the Tax Code)) to persons other than state or local government units.

(d) Except to the extent permitted under Section 149(b)(3) of the Code, (i) payment of principal of or interest on the Series 2015 Bonds is not directly, indirectly or otherwise guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), and (ii) none of the proceeds of the Series 2015 Bonds will be used to make loans the payment of principal or interest with respect to which is to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof).

(e) The University covenants that it will restrict the use and investment of the proceeds of the Series 2015 Bonds in such manner and to such extent, if any, and take or refrain from taking such other actions, all as may be necessary, after taking into account reasonable expectations at the time of the delivery of and payment for the Series 2015 Bonds, so that the Series 2015 Bonds will not constitute "arbitrage bonds" within the meaning of Section 148 of the Code or "hedge bonds" within the meaning of Section 149(g) of the Code.

(f) The Chancellor or Treasurer is hereby authorized to execute and deliver, for inclusion in the transcript of proceedings for the Series 2015 Bonds, a Tax Compliance Certificate relating to and made as of the Issue Date of the Series 2015 Bonds. Such Tax Compliance Certificate shall, among other things, reaffirm as of its date the continuing

accuracy, completeness and correctness of the tax-related representations herein contained, set forth the reasonable expectations of the University regarding the amount and use of all the proceeds of the Series 2015 Bonds and the facts and estimates on which those expectations are based, and contain such other and further representations, covenants, designations and elections on the part of the University as Bond Counsel or the Purchaser shall request to evidence the Tax-Exempt status of those of the Series 2015 Bonds issued on a Tax-Exempt basis and the commitment of the University to maintain the same. The University hereby agrees to perform any such covenants contained in the Tax Compliance Certificate.

(g) The University will make such informational reports as may be required under the Code, and in particular Section 149(e) thereof, with respect to the issuance of the Series 2015 Bonds.

(h) The University covenants that it will (1) apply the proceeds of the Series 2015 Bonds to the governmental purposes of the borrowing, (2) make timely rebate payments to the United States, if any are required, and (3) maintain books and records and make calculations and reports necessary to make and to evidence sufficient rebate payments.

(i) In the event that the aggregate principal amount of Series 2015 Bonds to be issued during a calendar year together with any other tax-exempt obligations to be issued by the University during such calendar year is equal to or less than the amounts set forth in Section 256(b)(3)(C) and (D) of the Code (as such provisions may be amended), the Chancellor is hereby authorized, upon consultation with Bond Counsel, to designate such Series 2015 Bonds as "qualified tax-exempt obligations" within the meaning and for purposes of Section 265(b)(3)(B) of the Code. Such designation, if made, shall be made in the Determination Document or the Tax Compliance Certificate for that series or sub-series of Series 2015 Bonds and shall be accompanied by such representations and warranties as are customarily made in connection with such a designation.

Section 3.4 Series 2015 Construction Account.

(a) The University shall open and maintain one or more separate accounts to be known collectively as the "Series 2015 Construction Account" (with such additional designations as may be appropriate to distinguish the accounts, if more than one, from one another), in each case in a bank which is a member of the Federal Deposit Insurance Corporation or any agency which may hereafter succeed to its functions and duties.

(b) The moneys in the Series 2015 Construction Account shall be applied only to pay or reimburse (1) costs of the 2015 Project, including the repayment of any interim or temporary loans or advances made to or by the University for such purpose, and (2) the costs and expenses of issuing the Series 2015 Bonds. Withdrawals may be made by the University from the Series 2015 Construction Account by order accompanied by a certificate or certificates signed by an authorized officer of the University, stating the name of the payee and the amount and purpose of the payment. The Trustee shall serve as principal depository of the Series 2015 Construction Account and shall administer withdrawals therefrom in

accordance with the aforementioned procedures, but the Trustee shall not be responsible for the application of any moneys so withdrawn from said Account by the University.

(c) Any moneys on deposit in a Series 2015 Construction Account not required for current disbursements shall be invested in Permitted Investments, as hereinafter defined, as directed in writing by the University. Any such investments shall be payable in such amounts and at such times as may be necessary to meet required payments from that Series 2015 Construction Account. The earnings from any such investments shall be deposited in that Series 2015 Construction Account. No investment shall be made which would cause any Tax-Exempt series or sub-series of the Series 2015 Bonds to be "arbitrage bonds" or "hedge bonds" as those terms are used in Section 148 and Section 149(g), respectively, of the Code. The depository for any Series 2015 Construction Account which shall hold the proceeds of any Tax-Exempt series or sub-series of the Series 2015 Bonds, by acceptance of its duties hereunder, agrees to keep such records and supply such information to the University as will enable the University to make any necessary rebate payments in a timely manner; provided, however, that the furnishing by the Trustee of records or information in addition to standard account records of deposits, withdrawals and investment income shall, at the option of the Trustee, be treated as an Extraordinary Service under the General Bond Resolution.

(d) As used herein, "Permitted Investments" shall mean and include any of the following (unless proscribed by the provider of any Credit Enhancement for all or any part or sub-series of the Series 2015 Bonds):

(1) Cash (insured at all times by the Federal Deposit Insurance Corporation);

(2) Obligations of, or obligations guaranteed as to principal and interest by, the United States of America ("U.S.A.") or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S.A. or repurchase agreements of such obligations;

(3) Any of the following obligations of federal agencies: (i) senior debt obligations issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC), (ii) senior debt obligations of the Resolution Funding Corporation (REFCORP), (iii) senior debt obligations of the Tennessee Valley Authority (TVA), (iv) senior debt obligations of the Central Bank for Cooperatives, (v) senior debt obligations of the Federal land banks (vi) senior debt obligations of the Federal intermediate credit banks, (vii) senior debt obligations of the Commodity Credit Corporation, (viii) senior debt obligations of the Federal Home Loan Bank System, or repurchase agreements of such obligations and (ix) senior debt obligations of any other similar agency of the government of the United States of America having similar financial quality;

(4) Certificates of deposit or other bank deposits (i) issued by, or made with, a bank whose unsecured, long-term obligations are rated by at least one Rating Agency in one of the three highest rating categories assigned by that Rating Agency,

or (ii) secured at all times by collateral described in paragraphs (2), (3), (7) and (8), which collateral is held by the Trustee or by a third-party custodian or in which the Trustee or such other custodian has a perfected first priority security interest or which are insured by the Federal Deposit Insurance Corporation;

(5) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;

(6) Money market funds holding obligations described in (2), (3), (7) or (8) rated by at least one Rating Agency in one of the three highest rating categories assigned by that Rating Agency;

(7) Pre-refunded "Municipal Obligations" (herein defined as any bonds or other obligations of any state of the U.S.A. or of any agency, instrumentality or local government unit of any such state) which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (i) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Moody's or S&P or any successor thereto; or (ii) (A) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in clause (2) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such Municipal Obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (B) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on such Municipal Obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; and

(8) Municipal Obligations (including obligations of any state, county, city, town, village, municipality, district, or other political subdivision of any state or of any instrumentality or board thereof) with an underlying rating of "A3/A-" or higher by Moody's and/or S&P.

Section 3.5 Other Documents Relating to Series 2015 Bonds.

(a) *Official Statement.* The Board authorizes and directs, if necessary and appropriate for the method by which the Series 2015 Bonds will be sold, (1) the preparation by appropriate officials of the University, in consultation with Bond Counsel, the Purchaser and other professional advisers to the University, of a Preliminary Official Statement of the University (the "Preliminary Official Statement"), and subsequent to the sale of the Series 2015 Bonds a final Official Statement of the University (the "Official Statement"), relating to the issuance and sale of the Series 2015 Bonds; (2) the distribution and use of the Preliminary Official Statement and the Official Statement by the Purchaser in the offering and sale of the

Series 2015 Bonds; and (3) the Chancellor or Treasurer to "deem final", for purposes and within the meaning of SEC Rule 15c2-12, the Preliminary Official Statement as of its date and to make such other and further representations with respect to the Preliminary Official Statement and Official Statement as may be customary and desirable.

(b) *Bond Purchase Agreement.* The Board authorizes the execution and delivery on behalf of the University by the Chancellor or the Treasurer, of a Bond Purchase Agreement or similar document relating to the Series 2015 Bonds to be entered into between the University and the Purchaser if necessary and appropriate for the method by which the Series 2015 Bonds will be sold (including, if the Series 2015 Bonds are issued in more than one series or sub-series and at different times, a separate such agreement for each later-issued series or sub-series).

(c) *Continuing Disclosure Agreement.* If necessary and appropriate for the method by which the Series 2015 Bonds will be sold, the Board authorizes the Chancellor or Treasurer to execute and deliver, on or prior to the Issue Date of any series or sub-series of the Series 2015 Bonds, a Continuing Disclosure Agreement with respect to the series or sub-series of Series 2015 Bonds issued, as required pursuant to SEC Rule 15c2-12 or by the Purchaser.

(d) *Escrow Trust Agreement.* In connection with the refunding and defeasance of the Series 2007 Bonds (or such portion of the Series 2007 Bonds as the Chancellor and Treasurer may determine should be refunded), the Board hereby authorizes and directs the Chancellor of the University to execute in the name and behalf of the University an Escrow Trust Agreement, between the University and the Refunded Bonds Trustee, and does hereby authorize and direct the Treasurer to attest the same and does further authorize and direct the official seal of the University to be affixed thereon.

(e) *Miscellaneous.* The Board authorizes Bond Counsel or other counsel to the University to prepare or review such other and further documents, certifications, assignments and instruments as Bond Counsel or such other counsel, the Trustee, the Purchaser or any provider of Credit Enhancement for the Series 2015 Bonds may require or as may be necessary or appropriate to consummate the transactions contemplated in this Resolution, including without limitation any certificates or reports referred to in Article III hereof. The Chancellor, Treasurer or any other appropriate officer, employee or agent of the University is hereby authorized and directed to execute and deliver any and all such additional documents or certificates, including without limitation any elections made for any tax-related reason. In addition, the Treasurer or other appropriate officer, employee or agent of the University is expressly authorized and directed to execute and deliver, subsequent to the Issue Date but within such period as is prescribed by the Code, such certifications as may be prepared and/or required to evidence allocations of the proceeds of Series 2015 Bonds issued on a Tax-Exempt basis.

Without limiting the generality of the foregoing, the Chancellor, Treasurer or any other appropriate officer, employee or agent of the University is hereby authorized and directed to take any actions as may necessary or appropriate in connection with the refunding,

defeasance and retirement of the Series 2006 Bonds and the acquisition of the Trojan Village facilities from The Troy Educational Building Authority and Troy University Housing, LLC.

[END OF ARTICLE III]

ARTICLE IV

PLEDGES AND FUNDS

Section 4.1 Source of Payment of Series 2015 Bonds. The Series 2015 Bonds shall be payable solely from the Bond Fund created in the General Bond Resolution for the exclusive benefit of the Holders from time to time of the Bonds, and shall be secured by (a) an exclusive first lien upon and pledge of the Special Student Fees, (b) a lien upon and pledge of the General Student Fees, subordinated, however, to the lien upon and pledge of the General Student Fees created and made under the Prior Bond Resolution for the benefit of the Prior Bonds, but only so long as any Prior Bonds remain outstanding, and (c) a lien upon and pledge of such other fees or revenues of the University as may hereafter be pledged to secure the payment of some or all Bonds, subject to such limitations as may be set forth in the Supplemental Resolution providing for such lien and pledge.

Neither the Bonds nor any pledge or agreement made in this Resolution or the General Bond Resolution shall be or constitute an obligation or debt of any nature whatsoever of the State, and neither the Bonds nor any obligation arising from any such pledge or agreement shall be payable out of any moneys appropriated by the State to the University. Neither the State nor the University shall be obligated, directly or indirectly, to contribute any funds, property or resources to the payment of the Bonds, except the fees and moneys pledged and the moneys in the Bond Fund, as provided in the General Bond Resolution.

Section 4.2 Pledge Securing Bonds. For the purpose of securing the payment of the principal of and interest on all Bonds, the University hereby pledges and assigns

- (a) the Special Student Fees, and
- (b) the General Student Fees, subordinated, however, to the pledge and assignment of the General Student Fees made under the Prior Bond Resolution for the benefit of the Prior Bonds, but only so long as any Prior Bonds remain outstanding,

and hereby covenants and agrees to collect or cause to be collected said fees, as the same become due and payable, to hold said fees so collected separate and apart from all other fees, revenues and income of the University, and to apply said fees only as provided in the General Bond Resolution (but only to the extent necessary to pay debt service on the Bonds and, in the case of the General Student Fees, the Prior Bonds).

The University warrants, represents and covenants that it is duly authorized by law to pledge the Special Student Fees and the General Student Fees (on the subordinated basis described above) and the Bond Fund purported to be pledged by this Resolution and the General Bond Resolution in the manner and to the extent provided herein and therein; that the Special Student Fees, the Bond Fund and the General Student Fees (other than the first lien pledge in favor of the Prior Bonds) are and shall be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to or of equal rank with the pledge created by this Resolution or the General Bond Resolution; that all corporate action on the part of the University to that end has been duly and validly taken; that the Bonds and the provisions of this Resolution and the General Bond Resolution are and shall be

legally enforceable obligations of the University in accordance with their terms and the terms hereof; and that it shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Special Student Fees, the General Student Fees and the Bond Fund pledged under this Resolution and the General Bond Resolution, and all of the rights of the Bondholders hereunder, against all claims and demands of all persons whomsoever.

[END OF ARTICLE IV]

ARTICLE V**COVENANTS OF THE UNIVERSITY**

Section 5.1 Affirmation of Covenants in General Bond Resolution. The covenants of the University contained in the General Bond Resolution with regard to the Bonds, including, without limitation, those in Article V thereof, are hereby ratified and affirmed.

[END OF ARTICLE V]

ARTICLE VI**TRUSTEE**

Section 6.1 Trustee's Acceptance and Responsibilities. The Trustee has accepted and agreed to perform the duties imposed on it by the General Bond Resolution and shall be deemed to affirm such acceptance by the authentication and delivery of the Series 2015 Bonds, subject to the terms and conditions set forth in the General Bond Resolution. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Resolution or the due adoption thereof by the Board, nor for or in respect of the recitals contained herein, all of which recitals are made solely by the University.

[END OF ARTICLE VI]

ARTICLE VII**MISCELLANEOUS**

Section 7.1 No Recourse. No recourse shall be had for the payment of the principal of or interest on the Bonds, or for any claim based thereon or on this Resolution or in the General Bond Resolution, against any member of the Board or any officer of the University, past, present or future, or any Person executing the Bonds, all such liability, if any, being expressly waived and released by every Holder by the acceptance of the Bond or Bonds held by it.

Section 7.2 Construction as a Contract. The provisions of this Resolution shall constitute and be construed as a contract, made under and for all purposes governed by and construed in accordance with the laws of the State, between the University and the Holder or Holders from time to time of the Bonds; provided, however, that no agreement, covenant or obligation of the University herein or in the Bonds contained shall be construed as imposing any pecuniary liability on the University or the State except as may be payable solely from the General Student Fees and Special Student Fees and any additional fees or revenues hereafter pledged and the Bond Fund established and provided for. No provision of this Resolution shall be construed to limit or restrict, either expressly or impliedly, the obligations of the University contained in the General Bond Resolution or the powers of the Trustee thereunder, nor shall the provisions of this Resolution be construed in any manner inconsistent with the provisions of the General Bond Resolution.

Section 7.3 Limitation of Rights. With the exception of rights herein or in the General Bond Resolution expressly conferred on the Fiduciaries, nothing expressed or mentioned in or to be implied from this Resolution or the General Bond Resolution or the Bonds is intended or shall be construed to give any Person other than the University and the Holders of the Bonds any legal or equitable right, remedy or claim under or with respect to this resolution or the General Bond Resolution or any covenants, conditions and provisions herein contained; this Resolution and the General Bond Resolution and all of the covenants, conditions and provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the University and the Holders of the Bonds as herein and therein provided.

Section 7.4 Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections in this Resolution contained, shall not affect the remaining portions of this Resolution, or any part thereof.

Section 7.5 Redemption of Prior Bonds. The Board does hereby call for redemption those Prior Bonds so selected pursuant to Section 3.2(a)(5) hereof and does hereby authorize and direct the Chancellor and Treasurer to take all necessary actions to effect such call for redemption on such date or dates as they shall determine, at and for the applicable redemption prices as of their respective

redemption dates, including, without limitation, irrevocably directing the Refunded Bonds Trustee to mail and/or publish any notice of such redemptions as may be required under the Prior Bond Resolution or the resolutions authorizing the issuance of such Prior Bonds. In connection with such call for redemption, the Board hereby states that the University is not in default in the payment of the principal of or interest on any Bonds or Prior Bonds now outstanding.

Section 7.6 Declaration of Official Intent. The University hereby declares its official intent to reimburse expenditures to be made prior to the issuance of the Series 2015 Bonds in connection with the Facilities described in Section 2.1(a) hereof (to the extent permitted by Section 1.150-2 of the Income Tax Regulations). The maximum principal amount of Bonds to be issued for such Facilities is \$10,000,000.

[END OF ARTICLE VII]

ENDORSEMENT

Passed by the Board of Trustees of Troy University this 8th day of May, 2015.

President pro tempore of the Board of Trustees

(SEAL)

Attest: _____
Secretary of the Board

- **Institutional Advancement Committee, Honorable Charles Nailen**

The chair called on Mr. Nailen to provide an Institutional Advancement Committee report. Mr. Nailen reported that Board members were contacted personally to discuss their vision to help shape the overall five-year plan.

Mr. Nailen advised that the Institutional Advancement Committee met on April 27 by telephone to review the overall direction we are headed and the committee approved the direction with a couple of modifications. The final plan will be presented at the July Board meeting.

Senator Dial thanked Mr. Nailen for his leadership and added that as the University moves forward this will be one of the most important issues facing us.

- **Athletic Policy Committee, Honorable Allen Owen**

Mr. Owen called on Mr. Steve Stroud to give an athletics update.

- **Athletics Report, Mr. Steve Stroud**

Mr. Stroud's report covered the following areas:

- Spring Successes
 - Academics
 - 48 student-athletes to graduate in May or July
 - Fall 2014: 2.97 cumulative GPA
 - Fall 2014: 400 student athletes--222 w/3.0GPA, 113/3.5 and 41/4.0
 - Spring Sports
 - Men's Tennis/Women's Golf—Champs!
 - Men's Golf—NCAA at-large bid
 - Baseball—Bobby Pierce record
 - Softball—best since 2006
- Upcoming Events
 - T-Day April 25th -- Spring Game, Hall of Fame Induction
 - Trojan Tribute—April 28th
 - May 9 Bobby Pierce Celebration
 - May 11 Neal Brown Golf Tournament
 - May 20-24 Sun Belt Baseball Tourney
 - Trojan Tour June 2nd – June 12th
 - July 25 Football 101
 - August TBD Football Appreciation Party
- Facilities Update
 - Tine Davis Field House—anticipated completion date by end of May
 - Golf Clubhouse should be fully completed by August
 - North End Zone Project—anticipate design, contractor selections complete by end of year. Timeline: Startup date January 2016 – completion projection July 2017
 -
- Cost of Attendance Overview
 - Rewriting what an Athletic Scholarship is
 - Was: tuition, room & board, books and fees
 - Now: All of the above + personal, transportation and supplies (difference equals Cost of Attendance “gap”)
 - “Power 5” conferences must implement full Cost of Attendance for all scholarship student-athletes
 - Full implementation at Troy equals \$800,000; three-year plan

Mr. Stroud responded to comments from Board members.

Following Mr. Stroud's report, Mr. Owen suggested an alternate date for the Board football trip be the Wisconsin game. Following brief discussion, Senator Dial recommended to the Chancellor that the date for the Board trip be changed to Wisconsin (September 19th). There was agreement that the date of the trip be changed.

V. New Business

In new business, the chair called upon Mr. Higgins to present Resolution No. 6 to the Board. Mr. Higgins stated that he had talked to several Board members about this and there is a move underway to put a woman on currency. We have invested millions of dollars into the Rosa Parks Library and Museum and given the fact that she is an alumnus of this University by us awarding a doctoral degree, Mr. Higgins recommended endorse a woman being on currency and that our recommendation would be Rosa Parks.

- **Resolution No. 6-- Advocating placing the image of TROY alumnus Rosa Parks on \$20 bill**

Senator Dial called upon Mr. Higgins to bring forth a motion for Resolution No. 6.

Resolution No. 6

ACTION: MR. HIGGINS MOVED THAT THE BOARD ACCEPT RESOLUTION NO. 6 BY ACCLAMATION. THERE WAS NO FURTHER DISCUSSION BUT SENATOR DIAL ASKED THAT THE CHANCELLOR INITIATE A PRESS RELEASE ON THIS ACTION. RESOLUTION NO. 3 WAS APPROVED UNANIMOUSLY BY ACCLAMATION.

Advocating placing the image of TROY alumnus Rosa Parks on \$20 bill

WHEREAS, the late Mrs. Rosa Parks, as an icon of the U.S. civil rights movement, was instrumental in bringing about major social and legal change to American society after her arrest on December 1, 1955 for refusing to give up her seat to a on a Montgomery, Alabama, bus, which spurred the Montgomery Bus Boycott; and

WHEREAS, Mrs. Parks has been honored by Troy University through the development of a library and museum which bears her name on the University's Montgomery Campus—located at the approximate site of Mrs. Parks' arrest and which opened on December 1, 2000, 45 years after her famous arrest—as well as the presentation of a honorary doctorate in June of 1999; and

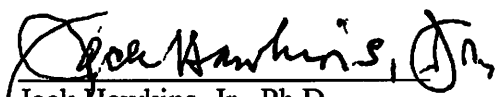
WHEREAS, there is a growing national movement to include the image of a famous U.S. woman on our nation's paper currency, and Mrs. Parks has been named one of four finalists nominated in a national poll; and

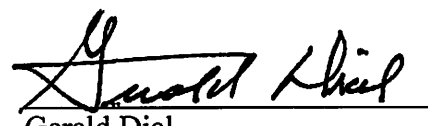
WHEREAS, the inclusion of Mrs. Parks' image on U.S. currency would be a fitting tribute to this remarkable Alabamian and honorary TROY alumnus;

THEREFORE BE IT RESOLVED, that the Troy University Board of Trustees advocates the printing of Mrs. Parks' image on the U.S. currency on a permanent basis and that a copy of this resolution be shared with the President of the United States, the U.S. Secretary of the Treasury, Alabama's two United States Senators, the United States Representative from the Second Congressional District of Alabama, the Governor of Alabama, and both houses of the Alabama Legislature.

VI. Adjournment

Senator Dial thanked everyone for being at the meeting today. There being no further business to come before the Board, the meeting adjourned.


 Jack Hawkins, Jr., Ph.D.
 Chancellor and
 Secretary of the Board of Trustees
 Troy University


 Gerald Dial
 President pro tempore,
 Board of Trustees
 Troy University