

March 14-15, 2024

**INFORMATION ITEM**

**Intention to Seek Debt Financing; Montana State University**

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**THAT**

The Board of Regents has previously authorized Montana State University to construct an athletics indoor facility, the Mark and Robyn Jones College of Nursing (CON), and certain parking Improvements and Montana State University intends to seek competitive pricing for financing related to these projects and to adopt a resolution that will enable the reimbursement of project expenditures incurred prior to issuing Board of Regents approved debt financing

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**EXPLANATION**

1. MSU has received construction authority for the athletics indoor facility (BOR ITEM 209-2007-R1123), the Mark and Robyn Jones CON (BOR ITEM 208-2010-R0923) and certain parking Improvements (BOR ITEM 210-2004-R0124).
2. The athletics indoor facility and Mark and Robyn Jones CON are donor funded, but all future pledges will not be received prior to when the university expects to incur all construction costs. Bridge financing is needed to close the gap between the timing of construction expenses and project donations.
3. Parking improvement projects will require debt financing for a portion of the total project costs.
4. MSU is currently working with its financial advisors and bond counsel on financing options and will bring a financing proposal to the Board of Regents for authority at the May or July meeting.
5. MSU expects these projects will incur expenses prior to financing arrangements being finalized and will therefore also seek Board of Regents authority to enter into a reimbursement resolution in accordance with U.S. Treasury Regulations (section 1.150-2).

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**ATTACHMENTS**

None