MICHIGAN STATE UNIVERSITY

BOARD OF TRUSTEES

Executive Action Summary

APPROVED

OCTOBER 30, 2026

BOARD OF TRUSTEES
MICHIGAN STATE UNIVERSITY

Committee Name Budget and Finance

Date October 30, 2026

Agenda Item: Authorization to Issue Commercial Paper Notes

☐ **Information** ☐ **Review** ☒ **Action**

Resolution: See attached.

Recommendation:

The Trustee Committee on Budget and Finance recommends that the Board of Trustees authorize the issuance and delivery of commercial paper notes and adopt the resolution attached hereto.

Prior Action by BOT: The board authorized the issuance of commercial paper notes on June 13, 2025.

Responsible Officers: Lisa Frace, Senior Vice President, Chief Financial Officer, and Treasurer

Summary:

The resolution authorizes (1) the issuance of tax-exempt commercial paper notes to finance capital projects, refinance existing debt, and pay cost of issuance and (2) the refunding and replacing of the notes in the future for federal income tax purposes.

Background Information:

The board previously authorized a $500 million commercial paper program (the "Program"). The Program is primarily used as short-term financing for board approved projects that are being funded by gift pledges or need bridge financing to the next long-term financing issuance. The taxable notes in the Program can also be issued for general operating purposes.

The Program currently consists of two series of notes: taxable Series I Notes and tax-exempt Series H Notes. To maintain the tax-exempt status of a series of notes, the issuance of new tax-exempt notes for any series is limited to an 18-month period following the original issue date of such series. As a result, the board is periodically asked to authorize a new series of tax-exempt notes to allow MSU to issue new

tax-exempt notes. The resolution authorizes the issuance of tax-exempt Series J Notes, which will replace the Series H Notes.

The resolution also provides various delegations of authority needed to administer the Program, including future replacement of tax-exempt note series.

Source of Funds: The notes are payable from and secured by a lien on General Revenues.

Resource Impact: The board has determined that having a $500 million commercial paper program that is available for capital and operating purposes provides diversity in short-term financing options for the University.

RESOLUTION OF THE BOARD OF TRUSTEES OF MICHIGAN STATE UNIVERSITY
AUTHORIZING THE ISSUANCE AND DELIVERY OF
COMMERCIAL PAPER NOTES, SERIES J, AND
PROVIDING FOR OTHER MATTERS RELATING THERETO

WHEREAS, the Board of Trustees of Michigan State University (the "*Board*") is a body corporate created by and existing under the Constitution of the State of Michigan of 1963 with full constitutional authority over and general supervision of Michigan State University (the "*University*") and control and direction of all expenditures from the University's funds; and

WHEREAS, the Board has determined it is necessary and desirable to provide for the temporary or permanent financing of capital projects of the University, currently under way or to be undertaken, through the issuance of its Commercial Paper Notes, Series J (Tax-Exempt) (the "*Series J Notes*"); and

WHEREAS, the Board has previously authorized and has determined to continue the issuance of its Commercial Paper Notes, Series I (Taxable) (the "*Series I Notes*," and collectively with the Series J Notes, the "*Notes*"); and

WHEREAS, the Board has determined it is necessary and appropriate to refund all or part of the outstanding notes of the Board's Commercial Paper Notes, Series H (Tax-Exempt) (the "*Prior Series H Notes*") and all or part of the outstanding Series I Notes with the proceeds of the Series J Notes (such notes to be refunded to be selected by an Authorized Officer (as hereinafter defined) and being herein called the "Notes to be Refunded"); and

WHEREAS, the Board has further determined that it may be economic and appropriate to refund certain other outstanding debt obligations of the Board with the proceeds of the Series J Notes (such outstanding debt obligations to be refunded, if any, to be selected by an Authorized Officer and being herein called the "*Bonds to be Refunded*"); and

WHEREAS, the Board has approved certain capital projects to be financed and refinanced in whole or in part through the issuance of the Series J Notes, and may approve additional projects to be so financed (all such projects, together with the projects financed or refinanced with the proceeds of the Notes to be Refunded, being herein called the "*Projects*"); and

WHEREAS, in order to provide for the issuance of the Series J Notes, it will be necessary for the President; the Senior Vice President, Chief Financial Officer and Treasurer; and the Assistant Vice President for Treasury and Financial Management (each an "*Authorized Officer*"), or any one of them individually, to execute and deliver one or more Commercial Paper Issuance Certificates (collectively, the "*Issuance Certificate*"), one or more Commercial Paper Issuing and Paying Agent Agreements (collectively, the "*Paying Agent Agreement*") with a bank or banks to be selected by an Authorized Officer, one or more Dealer Agreements (each a "*Dealer Agreement*") with a dealer or dealers (collectively, the "*Dealer*") to be designated by an Authorized Officer, and, if deemed appropriate by an Authorized Officer, an agreement or agreements relating to a liquidity or credit/liquidity facility; and

WHEREAS, the Series J Notes are to be limited and not general obligations of the Board, payable from and secured by a pledge of General Revenues (as shall be defined in the Issuance Certificate in a manner generally consistent with the definition thereof set forth in that certain Trust Agreement, dated as of June 1, 2025, between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee) and moneys from time to time on deposit in the Note Payment Fund or Funds to be created pursuant to the Issuance Certificate, and may be additionally payable from Available Investments (as shall be defined in the Issuance Certificate in a manner generally consistent with the definition thereof set forth in the Commercial Paper Issuance Certificate pursuant to which the Prior Series H Notes were issued); and

WHEREAS, it is necessary for the Board to delegate to each of the Authorized Officers the power to designate certain Authorized Representatives and Authorized Persons (each as shall be defined in the Issuance Certificate or Paying Agent Agreement) to undertake certain actions with respect to the issuance of the Series J Notes; and

WHEREAS, the Series J Notes are to finally mature on or before the date thirty (30) years after the date of issuance of the first Series J Notes under the Issuance Certificate, and in general are intended (to the extent not previously retired) to be replaced by permanent General Revenue financing on or prior to such final maturity date; and

WHEREAS, in the exercise of its constitutional duties, and in order to prudently control and direct expenditures from the University's funds, the Board determines it is necessary and desirable to authorize the issuance of the Series J Notes to provide funds to finance and refinance all or part of the costs of the Projects, to refund the Notes to be Refunded, to refund the Bonds to be Refunded, if any, and to pay certain costs incurred in connection with the issuance and sale of the Series J Notes and the refunding; and

WHEREAS, in order to be able to market and remarket the Notes, it is necessary for the Board to authorize an Authorized Officer to prepare, execute and deliver, on behalf of the Board, one or more Offering Memoranda (collectively, and as supplemented from time to time, the "Offering Memorandum") to be circulated and used in connection with the marketing, sale and delivery of the Notes, and to take, together with other appropriate officers, agents and representatives of the Board or the University, additional actions necessary to accomplish the sale and delivery of the Series J Notes, the administration of the commercial paper program of which the Series J Notes are a part, and the purposes hereof, all within the limitations set forth herein; and

WHEREAS, the issuance of the Series J Notes for the purposes described herein will serve proper and appropriate public purposes; and

WHEREAS, the Board has full power under its constitutional authority for supervision of the University, and control and direction of expenditures from the University's funds, to authorize and issue the Series J Notes for the purposes described herein, to pledge the General Revenues of the University for payment of the Series J Notes, and to covenant to pay the Series J Notes from Available Investments.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF MICHIGAN STATE UNIVERSITY, AS FOLLOWS:

1. The Board hereby authorizes the issuance, execution and delivery of the Series J Notes of the Board, in multiple issuances on various dates, to be designated COMMERCIAL PAPER NOTES, SERIES J, with additional or alternative series designations, as shall be determined appropriate by an Authorized Officer, in the aggregate principal amount outstanding from time to time as shall be designated by any one of the Authorized Officers, but, together with the Series I Notes, not in excess of FIVE HUNDRED MILLION DOLLARS ($500,000,000) at any time outstanding. The Series J Notes may be issued in two or more sub-series, with appropriate additional or alternative series designations, as may be determined appropriate by an Authorized Officer.

The Series J Notes shall be dated the date of issuance of each Series J Note, or otherwise as shall be determined by an Authorized Officer, and shall be issued for the purposes of (a) financing and refinancing all or part of the costs of the Projects, (b) refunding the Prior Series H Notes and all or a portion of the Series I Notes, if any, as determined by an Authorized Officer, (c) refunding the Bonds to be Refunded, if any, as determined by an Authorized Officer, and (d) paying all or part of the costs incidental to the issuance of the Series J Notes and the refunding. The Projects as a whole are hereby determined by the Board to constitute a single governmental purpose of the Board.

The Series J Notes may be issued as traditional commercial paper notes or extendable commercial paper notes, or a combination thereof, as shall be determined by an Authorized Officer in accordance with the terms of the Issuance Certificate and the Paying Agent Agreement. Each Series J Note issued as a traditional commercial paper note shall mature not later than 270 days after its date of issuance, to be determined as shall be provided in the Issuance Certificate and the Paying Agent Agreement. Each Series J Note issued as an extendable commercial paper note shall have an original maturity date to be determined as shall be provided in the Issuance Certificate and the Paying Agent Agreement, but in no event shall the original maturity date exceed the maximum original maturity date for extendable commercial paper notes as shall be established by an Authorized Officer and specified in the Issuance Certificate. In the event that any Series J Note issued as an extendable commercial paper note is not remarketed on its original maturity date, the original maturity date may be extended to a final maturity date not later than 270 days after the date of its original issuance, as shall be provided in the Issuance Certificate. Series J Notes issued as traditional commercial paper notes shall not be subject to redemption prior to maturity. Series J Notes issued as extendable commercial paper notes may be subject to redemption prior to maturity at the times and prices and in the manner as shall be established by an Authorized Officer and specified in the Issuance Certificate. All Series J Notes must mature on or before the date thirty (30) years after the date of issuance of the first Series J Notes under the Issuance Certificate.

The Series J Notes shall be issued on an interest-bearing basis and shall be payable at such times as shall be specified by an Authorized Officer, at the rate or rates of interest, not in excess of 12% per annum, to be determined as shall be provided in the Issuance Certificate and the Paying Agent Agreement. The Series J Notes shall be sold at par through the Dealer or Dealers selected by an Authorized Officer, pursuant to the Dealer Agreement(s). The Series J Notes shall be issued

in fully-registered form in the denominations, shall be subject to transfer and exchange, and shall be executed and authenticated, all as shall be provided in the Issuance Certificate.

2. The Series J Notes may, at any time upon direction of an Authorized Officer, be subsequently refunded and replaced with one or more new series or sub-series of tax-exempt commercial paper notes (the "*Replacement Notes*") for the purpose of creating a new "commercial paper program" for federal income tax purposes within the meaning of Treasury Regulation Section 1.150-1(c)(4)(ii), or any successor regulations. Each series of Replacement Notes issued pursuant to this Section 2 may in turn subsequently be refunded and replaced with one or more additional new series or sub-series of Replacement Notes for the foregoing purpose. Each series of Replacement Notes shall bear an appropriate series or sub-series designation, as determined by an Authorized Officer, and shall be issued for the purposes of (a) financing and refinancing all or part of the costs of the Projects, (b) refunding the Series J Notes or the then-outstanding Replacement Notes, as applicable, and all or a portion of the Series I Notes, all as determined by an Authorized Officer, (c) refunding the Bonds to be Refunded, if any, as determined by an Authorized Officer, and (d) paying all or part of the costs incidental to the issuance of the Replacement Notes and the refunding. Any Replacement Notes issued pursuant to this Section 2 shall mature on or before the date thirty (30) years after the date of issuance of the first Series J Notes under the Issuance Certificate and shall otherwise be subject to all of the terms, conditions, and limitations applicable to the Series J Notes contained in this resolution. All references in this resolution to the Series J Notes or the Notes shall be deemed to include any Replacement Notes if and to the extent issued pursuant to the terms of this Section 2.

Each Authorized Officer is individually authorized to execute and deliver, for and on behalf of the Board, any amendments to the Issuance Certificate, the Paying Agent Agreement and the Dealer Agreement for the Series J Notes necessary to accomplish the issuance of any series of Replacement Notes as described in this Section 2. Additionally or in the alternative, if deemed appropriate by an Authorized Officer, each Authorized Officer is individually authorized, in the name of the Board and as its corporate act and deed, to negotiate, execute and deliver a new Issuance Certificate, Paying Agent Agreement and one or more Dealer Agreements for any series of Replacement Notes issued pursuant to this Section 2, consistent with the terms of this resolution, as the Authorized Officer executing the same shall approve, which approval shall be conclusively evidenced by the execution of the respective documents.

3. The Series J Notes shall be limited and not general obligations of the Board payable from and equally and ratably secured by a lien on General Revenues on a parity basis with the lien on General Revenues securing the Board's outstanding General Revenue Bonds, in several series, and other obligations secured by a first lien on General Revenues, now or hereafter outstanding, and by a lien on moneys from time to time on deposit in the Note Payment Fund or Funds to be created pursuant to the Issuance Certificate, as shall be provided therein. The Series J Notes may also be payable from Available Investments, as may be provided in the Issuance Certificate.

In support of its obligation to repay the Notes, the Board may, if deemed appropriate by an Authorized Officer, enter into one or more letters of credit, lines of credit, note purchase agreements or other liquidity or credit/liquidity facilities (collectively, the "*Liquidity Facility*"). Any reimbursement obligation (including interest) for draws under the Liquidity Facility shall be

a limited and not general obligation of the Board, payable from General Revenues, and may be secured by a pledge of General Revenues on a parity or subordinate basis to the lien on General Revenues securing the Notes. The Authorized Officers are, and any one of them is, authorized to negotiate, execute and deliver, for and on behalf of the Board, such agreement or agreements (collectively, the "*Liquidity Agreement*") as an Authorized Officer may deem appropriate to acquire the Liquidity Facility and to provide for the repayment of draws thereunder, as provided herein.

No recourse shall be had for the payment of the principal amount of or interest on the Series J Notes, or under any Liquidity Agreement, or any claim based thereon, against the State of Michigan or against any member, officer or agent of the Board or of the University, as individuals, either directly or indirectly or, except as shall be provided in the Issuance Certificate and the Liquidity Agreement, if any, against the Board, nor shall the Series J Notes and interest with respect thereto or the obligations under any Liquidity Agreement become a lien on or be secured by any property, real, personal or mixed of the State of Michigan, the Board or the University, other than the General Revenues and the moneys from time to time on deposit in the Note Payment Fund or Funds to be created by the Issuance Certificate.

4. The right is reserved to issue additional bonds, notes or other obligations payable from General Revenues and secured by a lien on General Revenues on a parity or subordinated basis with the lien thereon securing the Notes and other General Revenue bonds, notes and obligations, upon compliance with terms and conditions therefor as shall be set forth in the Issuance Certificate.

5. The Authorized Officers are, or any one of them is, hereby authorized and directed to select a bank or banks to be Issuing and Paying Agent, and one or more Dealers, and any one of the Authorized Officers is authorized and directed, in the name of the Board and as its corporate act and deed, to negotiate, execute and deliver the Issuance Certificate, the Paying Agent Agreement and one or more Dealer Agreements, consistent with the terms of this resolution, as the Authorized Officer or Officers executing the same shall approve, which approval shall be conclusively evidenced by the execution of the respective documents. The Authorized Officers are, and any one of them is, hereby further authorized to execute and deliver any amendments to the Commercial Paper Issuance Certificate, the Commercial Paper Issuing and Paying Agent Agreement and the Dealer Agreements entered into in connection with the issuance of the Series I Notes as may be necessary for the refunding of the Notes to be Refunded and the issuance of the Series J Notes or any Replacement Notes, and otherwise to reflect the terms hereof.

6. The Authorized Officers are, and any one of them is, hereby authorized and directed to designate employees or agents of the Board or the University to act as Authorized Representatives with respect to the issuance of Series J Notes, and to designate Authorized Persons, who may be employees or agents of the Board or the University or employees or agents of the Dealer, to take certain actions with respect to the issuance of Series J Notes, all as shall be provided in the Issuance Certificate, the Paying Agent Agreement, or any Dealer Agreement.

7. The President of the University and the Senior Vice President, Chief Financial Officer and Treasurer are, and either one of them is, hereby authorized, empowered and directed,

in the name and on behalf of the Board, and as its corporate act and deed, to execute the Series J Notes (which may be evidenced by one or more master notes) by manual or facsimile signature and to cause the Series J Notes to be delivered to the purchasers thereof in exchange for the purchase price thereof, as shall be provided in the Issuance Certificate and the Paying Agent Agreement. The Series J Notes may be issued in the form of one or more master notes, as shall be provided in the Paying Agent Agreement.

8. The Authorized Officers are, and any one of them is, hereby authorized to cause to be prepared and circulated the Offering Memorandum with respect to the Notes (including with respect to any Replacement Notes) and to update, or cause to be updated, the Offering Memorandum, through supplements or otherwise, as an Authorized Officer shall deem appropriate, or as may be required by law. Any Dealer is authorized to circulate and use, in accordance with applicable law, the Offering Memorandum, as the same may have been updated or supplemented from time to time, in the offering, sale and delivery of the Notes.

9. The Authorized Officers are, and any one of them is, hereby authorized to select the portions of (a) the Prior Series H Notes and the Series I Notes, if any, to be refunded with the proceeds of the Series J Notes, (b) the Series J Notes or any then-outstanding Replacement Notes, as applicable, to be refunded with the proceeds of any subsequently issued Replacement Notes issued pursuant to this resolution, and (c) the Bonds to be Refunded to be refunded with the proceeds of the Series J Notes. The Authorized Officers are, and any one of them is, hereby further authorized to provide for the call for redemption of the Bonds to be Refunded, and to take any and all actions necessary and appropriate to provide for the payment when due of all amounts with respect to any refunding described in this section from the proceeds of the Notes or other available funds of the University. All of the Prior Series H Notes not refunded from the proceeds of the Series J Notes or other available funds of the Board shall be retired from other available funds of the University within 180 days of the first issuance of any Series J Notes.

10. Each Authorized Officer, the Secretary and Chief of Staff to the Board of Trustees, the Vice President for Legal Affairs and General Counsel and any Associate or Assistant General Counsel, and all other appropriate officers or representatives of the Board or the University and each one of them are authorized to perform all acts and deeds and to execute and deliver for and on behalf of the Board all instruments and documents required by this resolution or the documents authorized hereby (including a Letter or Letters of Representations among the Board, The Depository Trust Company and other necessary entities), or necessary, expedient and proper in connection with the issuance, sale and delivery of the Series J Notes and the administration of the financing program represented by the Notes, from time to time, all as contemplated hereby or in connection with subsequent elections, approvals or determinations under the Issuance Certificate or other documents. Any reference to an officer of the Board or the University herein shall include any interim or acting officer occupying such position or having been assigned all or a portion of the functions of such position.

11. All resolutions or parts of resolutions or other proceedings of the Board in conflict herewith are hereby repealed insofar as such conflict exists.

I hereby certify that the attached is a true and complete copy of a resolution adopted by the Board of Trustees of Michigan State University at a meeting held on October 30, 2026, in accordance with applicable law, and that the minutes of the meeting at which the resolution was adopted were kept and will be or have been made available at the Office of the Secretary and Chief of Staff to the Board of Trustees of Michigan State University.

I further certify as follows:

1. Present at the meeting were the following Board members:

_____

_____

Absent from the meeting were the following Board members:

_____

2. The following members of the Board voted for the adoption of the Resolution:

_____

The following members of the Board voted against adoption of the Resolution:

_____

RESOLUTION DECLARED ADOPTED.

_____
Secretary and Chief of Staff
Board of Trustees of Michigan State University