



GEORGIA STATE FINANCING AND INVESTMENT COMMISSION

Construction Division
270 Washington Street, S.W.
Atlanta, Georgia 30334-9007

MARTY W. SMITH
DIRECTOR

(404) 463-5600

September 8, 2020

Ms. Sandra Lynn Neuse, Vice Chancellor for Facilities
Board of Regents of the University System of Georgia
270 Washington Street, S. W.
Atlanta, Georgia 30334-1450

RE: Project No. J359, Provide \$63,700,000 in 20-year bonds for facility major repairs and renovations, statewide. , Commitment Letter

Dear Ms. Neuse:

The Construction Division, Georgia State Financing and Investment Commission (Commission), offers this commitment to reimburse Board of Regents of the University System of Georgia (Using Agency) for Unspecified Services for the above referenced Project as follows:

Additional Bond <u>Fund Source</u> Series 2020A3	Maximum Amount of <u>Additional Funding</u> \$63,700,000	Expiration Date of <u>Additional Funding</u> July 31, 2025
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These funds will be available for disbursement upon receipt of an executed copy of this Commitment Letter and submission of asset tracking information through eBonds.

Please refer to the Project Number and Name referenced above on all future correspondence.

As the Board of Regents of the University System of Georgia will administer this project including the procurement and execution of all contracts and purchase orders, it is important all applicable policies, guidelines, and regulations of the Commission and State of Georgia are followed. Copies of these policies are available on our website gsfic.georgia.gov under Financing & Investment Division, Forms/Publications/Policies.

- a. The Commission's General Obligation Bond Proceeds Expenditure Policy
- b. The Attorney General's Office memorandum concerning the use of General Obligation Bond Proceeds dated November 20, 2000
- c. The Commission's Public Private Partnership Policy
- d. The Commission's State Authorities Debt Issuance Approval Policy and Underwriter Selection Procedures
- e. The Commission's Requests for Reimbursement from General Obligation Bond Proceeds Policy, updated July 1, 2011
- f. The State Accounting Office policy GSFIC Reimbursements for Bond Funded Construction

Projects, updated November 1, 2017

- g. The State Accounting Office policy GSFIC Reimbursements for Bond Funded Information Technology Projects, updated November 1, 2017
- h. The State Accounting Office policy Agency Managed General Obligation (G.O.) Bond Projects, updated July 1, 2017

In regards to item "e" above, the Commission is statutorily charged with responsibility for ensuring application of bond proceeds for their authorized purpose, ensuring bond proceeds are invested in public property of the State, and ensuring the tax exempt status of general obligation bonds is not compromised while the bonds are outstanding. This policy advises:

- a) State Departments, Agencies, and Authorities will not receive bond proceeds to reimburse expenditures made prior to bond issuance or appropriation unless they have received a Notice of Declaration of Intent to Reimburse (DOIR) issued by the Director of the Financing and Investment Division authorizing such reimbursements, and have otherwise complied with the requirements of this policy.
- b) State Departments, Agencies, and Authorities managing their own projects must pay vendors directly and then request reimbursement from bond funds from the Commission.

The Commission's General Obligation Bond Proceeds Expenditure Policy provides monitoring guidelines to determine whether projects funded by general obligation bonds are in compliance with the Internal Revenue Service Code. The IRS Code establishes critical spend down milestones, in most cases, six months, three years, and five years from the bond issuance date. Other critical milestones exist under the Federal Tax Code, and may be applicable as determined by the Director of the Financing and Investment Division, GSFIC. The Policy also provides guidelines regarding the disposition of funds available from completed or inactive projects.

Further, the Board of Regents of the University System of Georgia shall assume full responsibility for the performance of the work ensuring compliance with all applicable codes and good workmanship. The State Construction Manual with associated forms and guidelines will be of benefit in preparing contracts and administering the work.

Please submit monthly payment requests as the work progresses to the GSFIC Construction Division Accounting Department using the GSFIC "Request for Reimbursement" form or by a request for reimbursement on Agency letterhead. Requests for reimbursement should contain sufficient back-up documentation, copies of invoices, and other information to support the payment request. A Certificate on the agency's letterhead shall be included with each monthly payment request and contain the following language:

"To the best of my knowledge and belief, I hereby certify that all items, units, quantities, prices of work and material shown on this Payment Request [Identify by number/date] are correct; all work has been performed and materials supplied in full accordance with the terms and conditions of the applicable contract(s); the work has been accepted by Board of Regents of the University System of Georgia; and all invoices for which we are requesting payment herein have been paid. I further certify, to the best of my knowledge and belief, the payment(s) herein requested is a proper expenditure of General Obligation Bond proceeds."

Final Reimbursement Payment, or request for final payment for each of several separate contracts within this authorization, should include a Certificate on the agency's letterhead with the following language:

"This is to certify that the Board of Regents of the University System of Georgia has found and determined that all accounts for labor, materials, and services for the construction of Project No. J359, Provide \$63,700,000 in 20-year bonds for facility major repairs and renovations, statewide, have been paid in full and there are no claims for any nature outstanding either liquid or disputed."

Additionally, in the case of a capital building project, a copy of the Design Professional's final certificate is also requested.

Operational expenditures/expenses not reimbursable


Operational expenditures/expenses are items used in an organization's continuing, day-to-day business, such as personal services of organization employees and supplies and materials ordinarily needed to operate an organization. Operational expenditures/expenses should not be reimbursed from general obligation bond proceeds. All of the examples listed below are considered to be operational expenditures/expenses and are not eligible for reimbursement from general obligation bond funds.

Examples of non-reimbursable operation expenditures/expenses include but are not limited to:

- Depletable/disposable items: replacement light bulbs, projector bulbs, paper for copiers, file folders, sports drinks, water, masks, gloves, cleaning agents, etc.
- Moving costs (including moving boxes and tape)
- Decorating items: wall art, floor lamps, office plants, items for bookcases, etc.
- Repair and maintenance items: hammers, drills and drill bits, wrenches, step ladders, etc.
- Office supplies (including adding machines, staplers, desk organizers, etc.)
- Pallets
- GEMA supply kits
- Fuel or oil
- Annual fire inspections
- Maintenance agreements for copiers and computers
- Termite inspections
- Drug tests for employees
- Lease Payments
- Personal Expenses

If you are uncertain as to whether an expenditure/expense would qualify for funding from general obligation bond proceeds, please confer with personnel at GSFIC prior to purchase.

Please execute this Commitment Letter by signing and returning it to the Commission. We will not be able to apply these funds to this project until the executed Commitment Letter is received. We look forward to the successful completion of this project.

Acceptance by Using Agency	
The Board of Regents of the University System of Georgia accepts the offer as set forth to provide financing for Project J359.	
DocuSigned by:	
X	Ms. Sandra Lynn Neuse, Vice Chancellor for Facilities
Date:	September 10, 2020

Sincerely,



Marty W. Smith, Director
Construction Division

cc: Ms. Sharon Pope, Assistant Vice Chancellor for Design & Construction

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SFP

Ms. Teresa Higgins, Director of Contracts & Services
Ms. Diana Pope, Director, Financing and Investment Division, GSFIC
Mr. Alex Volodarsky, Accounting Director, Construction Division, GSFIC

Enclosure: Request for Reimbursement Form

Georgia State Financing and Investment Commission
Construction Division
Request for Reimbursement

Name of Requesting Agency / Department / Authority: _____	
Project Number _____	
Project Name _____	
Bond Issue _____	
Reimbursement Period Covered: From _____ to _____	
Amount Authorized - Commitment Amount	\$ _____
Amount Previously Disbursed	\$ _____
Balance of Commitment Amount	\$ _____
Amount to be Reimbursed per this Request	\$ _____
<p>To the best of my knowledge and belief, I hereby certify that all items, units, quantities, prices for work and material shown on this Reimbursement Request are correct; all work has been performed and material supplied in full accordance with the terms and conditions of the applicable contract(s); the work has been accepted by our agency and all invoices for which our agency is requesting payment herein have been paid. I further certify, to the best of my knowledge and belief, the payment(s) herein requested is a proper expenditure of general obligation debt proceeds.</p> <p>Authorized Signature: _____</p> <p>Date: _____</p>	

Remit Payment to:

Agency Contact for this Request

