ROLL CALL

AUXILIARY FACILITIES SYSTEM REVENUE BONDS, SERIES 2006

Action: Approve Issuance of Auxiliary Facilities System Revenue Bonds, Series 2006

Funding: Proceeds of the Revenue Bonds

The Board, at its meeting on July 13, 2006, authorized a number of actions leading toward the issuance of Auxiliary Facilities System Revenue Bonds, Series 2006 (the “Bonds”) to finance a portion of the following projects: Chicago South Campus Mixed Use Development, Springfield Townhouses Phase III, Springfield Student Recreation Center, Springfield Residence Hall, Urbana Student Dining and Residential Programs Building and the First Wing of New Residence Hall, and Memorial Stadium Phased Development Plan. All of the projects have previously been approved by the Board. Additional approval was granted to refund certain outstanding Auxiliary Facilities System bonds if the refunding savings can reach at least three percent of the principal amount of the bonds to be refunded and the Comptroller deems such refunding to be economically beneficial.

Such actions have been completed including: retention of Pugh, Jones, Johnson & Quandt, P.C., as bond counsel; retention of Katten Muchin Rosenman LLP as special issuer’s counsel; retention of Public Financial Management, Inc., as financial
advisor; retention of Loop Capital Markets, LLC, as managing underwriter and Citigroup
Global Markets Inc., as co-senior manager; retention of J P Morgan Trust Company,
National Association as bond registrar; the preparation of the Preliminary Official
Statement; the analysis of the purchase of bond insurance, where such insurance will be
purchased by the managing underwriter; actions to pursue and obtain ratings on the
revenue bonds; preparation of additional documents including a Supplemental Bond
Resolution, Bond Purchase Agreement, Escrow Agreement (if prior bonds are refunded),
and Continuing Disclosure Agreement.

Now it is requested that the Board authorize the issuance of the Bonds in an
original principal amount not to exceed $280.0 million to fund the projects, pay
capitalized interest and issuance costs (see Attachment) and up to an additional
$115.0 million if the maximum amount of refunding is included. The final maturity of
the Bonds shall be no later than April 1, 2036. All, or a portion, of the Bonds will be
insured if it is deemed economically beneficial.

The Bonds will be issued as fixed rate bonds, will be fully registered, will
be special, limited obligations of the Board and will be payable only from and secured by
the net revenues of the Auxiliary Facilities System (subject to prior payment of operating
and maintenance expenses of the System, but only to the extent necessary), student
tuition and fees, and the Bond and Interest Sinking Fund Account.

All legal matters incidental to the authorization and issuance of the Bonds,
the forms of the Preliminary and Final Official Statements, the Thirteenth Supplemental
System Revenue Bond Resolution, the Bond Purchase Agreement, the Escrow
Agreement (if prior bonds are refunded), and the Continuing Disclosure Agreement will
be approved by Pugh, Jones, Johnson & Quandt, P.C., Chicago, Illinois, Bond Counsel,
and Katten Muchin Rosenman LLP, Chicago, Illinois, Special Issuer’s Counsel; and
certain legal matters will be passed upon by Freeborn & Peters LLP, Chicago, Illinois,
Underwriters’ Counsel.

The Vice President for Administration recommends the Board:

1. Authorize the issuance and sale of the Bonds, approve the 
Preliminary Official Statement and approve the Final 
Official Statement with the addition of the final terms of 
the Bonds.¹

2. Approve the form of the Bond Purchase Agreement¹ with 
Loop Capital Markets, LLC as managing underwriter and 
Citigroup Global Markets Inc., as co-senior managing 
underwriter, and Banc of America Securities LLC, Merrill 
Lynch & Co., Robert W. Baird & Co. Incorporated, 
Griffin, Kubik, Stephens & Thompson, Inc., Bernardi 
Securities, Inc., Mesirow Financial, Inc., Melvin 
Securities, L.L.C. and Podesta & Co., co-managers, 
wherein the underwriters agree to purchase from the Board 
all of the Bonds at a price, exclusive of net original issue 
discount or premium, not less than 98 percent of the par 
amount thereof and with the true interest cost of the Bonds 
not more than 5.50 percent.

3. Delegate to the Comptroller the authority to determine the 
principal amount, final terms and terms of the sale of the 
Bonds within the limits expressed in this Board action.

4. Approve the Thirteenth Supplemental System Revenue 
Bond Resolution.¹

¹A copy is filed with the Secretary of the Board for record and the appropriate officers of 
the Board are hereby authorized and directed to execute the same in the name of and on 
behalf of the Board in substantially the form presented to this meeting, or with such 
changes as may be approved by the officer or officers of the Board executing the same, 
his/her or their execution thereof to constitute conclusive evidence of the Board’s 
approval of all changes from the form thereof presented to this meeting; provided, 
however, that if any such changes constitute a substantial change in the form thereof 
presented to this meeting they shall first be approved by the executive committee of the 
Board to which authority for such approval is delegated by the Board.
5. Approve the form of the Escrow Agreement (if applicable) with respect to the Bonds.¹

6. Approve of the form of the Continuing Disclosure Agreement by the Board with respect to the Bonds.¹

7. Ratify and confirm all actions taken or to be taken by the officers and members of the Board in connection with the sale and delivery of the Bonds to the managing underwriter, co-senior manager and co-managers.

8. Authorize and empower the Comptroller and other authorized officers of the Board to do and perform such other acts and things and to make, execute, and deliver all such other instruments and documents on behalf of the Board as may be by them deemed necessary or appropriate in connection with the provisions of the Official Statement, the Thirteenth Supplemental System Revenue Bond Resolution, the Bond Purchase Agreement, the Escrow Agreement (if applicable), the Continuing Disclosure Agreement, and all acts and things whether heretofore or hereafter done or performed by any of the officers of the Board which are in conformity with the intents and purposes of these resolutions shall be and the same are hereby in all respects, ratified, confirmed, and approved.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois Statutes, The General Rules Concerning University Organization and Procedure, and Board of Trustees policies and directives.

The President of the University concurs.
### University of Illinois - Series 2006 AFS Bonds

#### COST OF ISSUANCE

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<th>Description</th>
<th>Estimated on 8/25/06</th>
<th>Actual</th>
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**Total Cost of Issuance**

| Description | $520,800.00 | $ - |