GENERAL TOPICS - DRAFT

UConn 2000 General Obligation and Special Obligation Debt
S & P Investors Service Routine Surveillance
S & P/UCONN call
Wednesday, October 21, 2020 9:00 AM-10:00 AM (UTC-05:00) Eastern Time (US & Canada).
Meeting begins – 9:00 am

S&P’s UCONN2000 DEBT RATINGS:
“A+/Stable”, for the UCONN 2000 General Obligation Debt Service Commitment; and “A+/Stable” for the UCONN 2000 Special Obligation Student Fee Revenue bonds.

POSSIBLE S&P’s EXPECTED PARTICIPANTS:
David Hitchcock, Senior Director, Lead Analyst, States
Laura Kuffler-Macdonald, Senior Director, Analytical Manager
Timothy Little, Director, Lead Analyst, States
Eden Perry, Managing Director, Head of U.S. Public Finance
Ken Rodgers, Director, Lead Analyst

S&P
55 Water Street
New York, NY 10041

POSSIBLE UCONN PARTICIPANTS:
Scott Jordan, Executive Vice President for Administration and CFO
Trish Casey, AVP of Financial Operations & Controller
Lloyd Blanchard, AVP of Budget, Management & Institutional Research
Nathan Fuerst, Vice President for Enrollment Planning & Management
Jack Sullivan, Manager of Treasury Services
Bethany Grabowski, University Educational Assistant, Office of the AVP of Financial Operations & Controller

UCONN FOUNDATION PARTICIPANTS:
Melissa Maynard, Controller
Jerry Ganz, Senior VP of Finance & Administration & Chief Financial Officer

POSSIBLE UCONN HEALTH PARTICIPANTS:
Chad Bianchi, UConn Health, Controller
Jeff Geoghegan, UConn Health, Chief Financial Officer

POSSIBLE STATE TREASURER PARTICIPANTS:
Sheree Mailhot –Principal Debt Management Specialist
Sarah Sanders – Assistant Treasurer Debt Management
Bettina Broniz–Principal Debt Management Specialist
Jeremy Hite– Debt Management Specialist
S&P Investors Service Routine Surveillance Visit
Wednesday, October 21, 2020 at 9:00am - 10:00am

Proposed Agenda

- Introductions;
- Issuer opening remarks;
- Issuer presentation (will UConn be sending a presentation prior to the call?)
- Questions & answers;
- Meeting conclusion-final comments;
- Next steps/timeline;

The following are the specific topics and/or questions we would like to cover during the meeting:
- Recent governance and management changes at UConn and UConn Health Center since our last review and;
- Update on enrollment trend including graduate, professional and on-line enrollment (fall 2019 compared with fall 2020);
- Annual tuition, room & board and other fees for fall 2019 and 2020 and tuition discount rate (freshmen class and overall rates), patient utilization and payer mix stats for UConn Health for same years;
- Update on instruction modes currently in effect at all campuses, student housing occupancy and any refunds or discounts issued for spring 2020, summer 2020 and fall 2020;
- Needed capital projects (UConn and UConn Health Center) and capital spending budget for FY2021, update on Next Generation Connecticut;
- Recap of financial performance for FY 19; expectations for FY20 and update on budget for FY21 (including discussion about state appropriation and state budget environment and its impact on UConn and UConn Health Center);
- Any other UConn and UConn Health Center matters (besides COVID-19) that may impact fiscal 2021 operations, student housing or capital plan?; and
- Investment performance and fundraising update.

Topics Generally Discussed

Enterprise Profile

- Industry-any changes in higher education and healthcare funding and policies at national or state level (CARES Act, etc.) impacting the university and/or UConn Health Center;
- Organization
  - Summary of any recent or anticipated organizational or operational structural changes and a brief update on the strategic plan;
• Update on major affiliations/key relationships and/or agreements with external parties, e.g. research contracts;
• Any changes in key operational requirements/restrictions imposed by third parties and/or financial institutions;

• Demand
  • Discuss any significant change in enrollment and other key demand metrics; o Tuition and fee structure;
  • Occupancy of residence facilities;

• Management
  • Board and senior leadership team changes;
  • Strategic and capital plan update;
  • Changes in financial policies/practices;
  • Enterprise risk management (if applicable) update;

Financial Profile
• Financial Performance
  • Annual operating performance;
  • Key indicators of financial flexibility, e.g. actual endowment spend rate vs. spending policy; tenure rate, etc.
  • Budget/long range financial forecast
  • Strength/viability/trend of major revenue streams

• Available Resources
  • Operating liquidity/Investment Liquidity:
    o Daily, monthly, annual liquidity of investments as of latest audited fiscal year and more recent analysis;
  • Available resource metrics and monitoring;
  • Endowment Spending Formula/Draw;
  • Key changes to investment policies and practices and discussion of strategy in light of current market conditions;
  • Asset allocation as of latest audited fiscal year and more recent allocation;

• Debt/Capital Plans
  • Debt and debt service structure;
  • Contingent debt (variable rate demand bonds, direct placement obligations with financial institutions or other third parties, swaps, commercial paper or other debt that might be subject to acceleration); o Current and future capital spending and debt plans;
  • Compliance with existing debt covenants;

• Plan of Finance (for new debt issuances only)
  • Security/Legal Structure;
  • Covenants;
  • Purpose;
  • Effect on operations/repayment plan;
  • Effect on debt profile;
• Fundraising
  
  • Capital Campaigns;
  • Annual fund giving;

Information Requirements (New Sale)
A general list of information needed to complete the rating process includes, but is not limited to, the following items:

• Preliminary official statement;
• Distribution list;
• Authorizing documents (resolution, indenture);
• Most recent audited financial statement and most recent interim unaudited financial statements;
• Debt amortization schedules (pro forma) including capitalized leases and bifurcated between principal, interest and total debt service