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## Expansion of Conduit Issuing Authority – Benefits for Minnesota Colleges & Universities

- Keep Authority charges as low as possible
  - Fixed costs spread over a larger base of outstanding bonds
    - Reduces total fixed charges allocable to Higher Education
  - Maintain or expand base of outstanding bonds allows consistent borrower fee levels
    - Avoids rapid or unpredictable fee variations
  - Variable costs segregated between Higher Education and Healthcare
    - No cross subsidy between Healthcare and Higher Education
- Joint ventures/projects/financing options would be available to schools
  - Coordinated healthcare education program with healthcare facility
  - Joint program space – enhanced utilization, cost effectiveness
  - Increased program efficiency, more flexible space utilization and configuration
- Assure Authority is able to continue to attract and retain highly qualified and motivated staff, enhancing Authority value to Minnesota Colleges & Universities
  - Wide variety of financings to expand Authority knowledge base
  - Broader service package provides greater professional growth & benefit to all Authority borrowers, including Minnesota Colleges and Universities

The Authority is a full-service conduit bond financing authority that receives no State of Minnesota financial support. The Authority is completely funded by fees charged to borrowers. Fees are substantially lower than allowed by the Internal Revenue Service and represent a solid value for borrowers.