

COMPTROLLER POLICY MANUAL

 NORTHERN ARIZONA UNIVERSITY	POLICY: CMP 133
	Section: 100 General
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	Responsible office: Comptroller
	Origination date: 01/28/2013
Subject: Continuing Disclosures	Effective date: 01/28/2013
	Revision date: 03/24/2020

PURPOSE

Annually by February 1st of each year the University will file the following disclosures regarding its outstanding System Revenue and Lease Revenue bonds, Certificates of Participation and SPEED Bonds using the Electronic Municipal Market Access (EMMA) system at <http://emma.msrb.org>

CMP 133: Continuing Disclosures

To ensure that Northern Arizona University efficiently carries out its continuing disclosure obligations with respect to its outstanding municipal securities and the municipal securities it issues in the future pursuant to Rule 15c2-12, as amended, under the Securities Exchange Act of 1934, as amended.

Submission of Annual Report and Comprehensive Annual Financial Report (CAFR)

1. Not later than 270 days after the end of each fiscal year, and annually thereafter, while any Obligations remain outstanding, the University shall submit the CAFR to the Municipal Securities Rulemaking Board (MSRB) through the Electronic Municipal market Access (EMMA). The CAFR shall be submitted to the MSRB within 10 days of its receipt by the Arizona Board of Regents (ABOR)
2. The Annual Report and CAFR may be provided to the MSRB through EMMA in one document or a set of documents submitted to the MSRB, or may be included by specific reference to official statements and other documents available to the public on the MSRB's website. Any such other documents provided by cross reference shall be clearly identified.
3. The Comptroller shall approve submission of the Annual Report and the CAFR to the MSRB.

Reporting of Events

The University shall file, in a timely manner, a notice of the occurrence of any event with the MSRB with respect to any Obligations to which the event is applicable, in a timely manner not in excess of ten (10) business days after the occurrence of the event, as required by the Rule. The events to be disclosed are listed on Schedule 1.

Manner of Submission

The documents, reports and notices required to be submitted to the MSRB pursuant to this Disclosure Policy shall be submitted through EMMA in an electronic format, and shall be accompanied by identifying information, in the manner prescribed by the MSRB, or in such other manner as is consistent with the Rule. A description of such

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format and information as presently prescribed by the MSRB is included in Exhibit A.

Disclosure Training for University Employees

The Comptroller’s Office is responsible for conducting annual disclosure training of employees regarding this Disclosure Policy. Such training shall include a review of this Disclosure Policy, the Rule, and the events listed on Schedule 1 hereto, and shall include an overview of the University’s obligations under the federal securities laws.

Issuance of Municipal Securities

Whenever the University issues obligations in a public offering, on its own or through another entity, a preliminary official statement and a final official statement shall be prepared containing financial information and operating data relating to the University. The Comptroller shall have primary responsibility for ensuring that all such information is accurate and not misleading in any material aspect. The final official statement shall also include a certification by the Vice President of Finance that the information contained in the official statement regarding the University, as of the date of each official statement, does not contain any untrue statement of material facts or omit any material facts necessary to make the information contained in the official statement, in light of the circumstances under which it was provided, not misleading. The University shall enter into a continuing disclosure agreement with the underwriter of each issue of Obligations. The Vice President of Finance shall approve the preliminary and final official statements and the continuing disclosure agreements prior to dissemination to the public.

Additional Information

Nothing in this Disclosure Policy shall be deemed to prevent the University from voluntarily disseminating any other financial information, operating data or other material information using the means of dissemination set forth in this Disclosure Policy or any other means of dissemination. The following is a list of required documents for each debt type:

System Revenue Bonds:

- a. Schedule of Historical Gross Revenues;
- b. Schedule of Gross Revenues and Debt Services Requirements, but only as it relates to the column labeled Total Debt Service Requirements; and
- c. Receipts from Other Major Revenue Sources.

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SPEED bonds:

- a. Historical State Lottery Distributions by Program, as it relates to distributions to the SPEED Fund;
- b. Schedule of Historical System Revenues;
- c. Schedule of System Revenues and Debt Services Requirements, but only as it relates to the column labeled Total Debt Service Requirements; and
- d. Receipts from Other Major Revenue Sources.

Lease Revenue Bonds:

- a. Schedule of Historical Gross Revenues;
- b. Outstanding System Revenue Bonds, Certificates of Participation and Other Obligations;
- c. Statement of Revenues, Expenses, and Changes in Net Position;
- d. Comparative Breakdown of Current Operating Funds Balance;
- e. Total Student Enrollment;
- f. Undergraduate Applications, Admissions and Enrollments;
- g. Graduate Applications, Admissions and Enrollments.

Certificates of Participation

- a. Total Student Enrollment;
- b. Undergraduate Applications, Admissions, and Enrollment;
- c. Graduate Applications, Admissions and Enrollment;
- d. Statement of Revenues, Expenses, and Changes in Net Position;
- e. Combined University and Component Units;
- f. Schedule of Tuition and Registration Fees Per Student;
- g. Tuition for Out-of-State Students;
- h. Summer School & Other Fees;
- i. Legislative Appropriations;
- j. Comparative Breakdown of Current Operating Fund Balances;
- k. Schedule of Historical Gross Revenues;
- l. Receipts from Other Major Revenue Sources;
- m. Summary of Current Operating Funds, Gifts, Grants & Contracts;
- n. System Revenue Bonds Outstanding;
- o. Certificates of Participation;
- p. Other Obligations;
- q. Debt Service Requirements.

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SCHEDULE 1

SEC Rule 15c2-I2 requires notification of the occurrence of any of the Events listed as (1) through (14) below with respect to any applicable Obligation. Notification must be provided in a timely manner, but not more than ten (10) business days after its occurrence.

1. Principal and interest payment delinquencies;
2. Nonpayment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, or a Notice of Proposed Issue (IRS Form 5701- TEB) or other material notices of determinations with respect to tax status of the Obligations, or other events affecting the tax status of the Obligations;
7. Modifications to rights of registered owners of the Obligations, if material;
8. Redemptions (excluding mandatory sinking fund redemptions), if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Obligations;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or a similar proceeding by an obligated person;
13. Consummation of a merger, consolidation, acquisition involving an obligated person, or sale of all or substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or determination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

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14. Appointment of an additional or a successor trustee, or the change in name of a trustee, if material.

EXHIBIT A

MSRB PROCEDURES FOR SUBMISSION OF CONTINUING DISCLOSURE DOCUMENTS AND RELATED INFORMATION

Securities and Exchange Commission Release No. 34-59061 (the "Release") approves an MSRB rule change establishing a continuing disclosure service of the MSRB's Electronic Municipal Market Access system ("EMMA"). The rule change establishes, as a component of EMMA, the continuing disclosure service for the receipt of, and for making available to the public, continuing disclosure documents and related information to be submitted by issuers, obligated persons and their agents pursuant to continuing disclosure undertakings entered into consistent with Rule 15c2-12 ("Rule15c2-12") under the Securities Exchange Act of 1934. The following summarizes procedures for filing continuing disclosure documents and related information with the MSRB as described in the Release.

Continuing disclosures consist of important information about a municipal security that arises after the initial issuance of the bond. This information generally reflects the financial or operating condition of the government or agency issuing the bond over time. As well as specific events occurring after issuance that may have an impact on the ability of the issuer to repay the bond, the value of the bond if it is bought or sold prior to its maturity, the timing of repayment of principal, and any number of other key features of the bond. The University or other agency issuing the bond prepares this information. Each bond has its own unique set of continuing disclosures, and not all types of continuing disclosures apply to every bond. Continuing disclosures are intended to assist investors in determining the suitability of a bond, as well as potential risks associated with the credit of the issuer.

All continuing disclosure documents and related information are to be submitted to the MSRB, free of charge, through an Internet-based electronic submitter interface or electronic computer-to-computer data connection, at the election of the submitter. The submitter is to provide, at the time of submission, information necessary to accurately identify: (i) the category of information being provided; (ii) the period covered by any annual financial information, financial statements or other financial information or operating data; (iii) the issues or specific securities to which such document is related or otherwise material (including CUSIP number, issuer name, state, issue description/securities name, date, maturity date and/or interest rate); (iv) the name of any obligated

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person other than the issuer; (v) the name and date of the document; and (vi) contact information for the submitter. Submissions to the MSRB are to be made as portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. If the submitted file is a reproduction of the original document, the submitted file must maintain the graphical and textual integrity of the original document. In addition, as of January 1, 2010, such PDF files must be word-searchable (that is, allowing the user to search for specific terms used within the document through a search or find function), provided that diagrams, images and other non-textual elements will not be required to be word-searchable.

All submissions to the MSRB's continuing disclosure service are to be made through password protected accounts on EMMA by: (i) issuers, which may submit any documents with respect to their municipal securities; (ii) obligated persons, which may submit any documents with respect to any municipal securities for which they are obligated; and (iii) agents, designated by issuers and obligated persons to submit documents and information on their behalf. Such designated agents are required to register to obtain password-protected accounts on EMMA in order to make submissions on behalf of the designating issuers or obligated persons. Any party identified in a continuing disclosure undertaking as a dissemination agent or other party responsible for disseminating continuing disclosure documents on behalf of an issuer or obligated person will be permitted to act as a designated agent for such issuer or obligated person, without a designation being made by the issuer or obligated person as described above, if such party certifies through the EMMA on-line account management utility that it is authorized to disseminate continuing disclosure documents on behalf of the issuer or obligated person under the continuing disclosure undertaking. The issuer or obligated person, through the EMMA on-line account management utility, is able to revoke the authority of such party to act as a designated agent.

The MSRB's internet-based electronic submitter interface (EMMA Dataport) is at www.emma.msrb.org.

Additional Resources:

[NAU Debt Policy CMP 132](#)

[Form 8038CP Filing Instructions](#)

[Internal Revenue Service Build America Bonds and Direct Payment Subsidy Implementation](#)