Agenda
Board of Regents
Special Meeting of the Full Board
Friday, February 24, 2012; 11:00 a.m. – 11:30 a.m.
AUDIOCONFERENCE

I. Call to Order

II. Adoption of Agenda

MOTION
"The Board of Regents adopts the agenda as presented.

I. Call to Order
II. Adoption of Agenda
III. Authorization of Sale of General Revenue Refunding Bond 2012 Series R
IV. Adjourn

This motion is effective February 24, 2012."

III. Authorization of Sale of General Revenue Refunding Bond 2012 Series R

Reference 1

The President recommends that:

MOTION
"The Board of Regents adopts the bond resolution for University of Alaska General Revenue Refunding Bonds 2012 Series R as presented. This motion is effective February 24, 2012."

POLICY CITATION
In accordance with Regents' Policy 05.04 – "Debt and Credit" specifies the guidelines for debt issuances and requires that all debt issuances for refunding debt must be approved by the Board of Regents.

RATIONALE AND RECOMMENDATION
Myron Dosch, controller, will report on the proposed sale of the Series R general revenue refunding bonds. The resolution authorizes the issuance and sale of the bonds. By approval of the above motion, the resolution is adopted.

This refunding opportunity arises because tax exempt interest rates are at historically low levels. As a result, management wishes to refund certain maturities of the 2002 Series K, 2003 Series L and 2004 Series M general revenue bonds in order to achieve debt service savings.

The proposed 2012 Series R bonds would refund debt previously issued for UAF West Ridge Research project, the UAA University Center purchase, the UAS Joint Readiness Center (2002 Series K), UAF West Ridge Research Building Phase II, UAF Athletics Facility Modification, UAF Electrical Power Grid Interface and Code Upgrades, Rural

College Upgrades (2003 Series L), UAA and UAS acquisition of real estate, UAF IAB Logistics Facility and Hutch Career Center upgrade (2004 Series M).

Per Alaska Statute 14.40.257, the State of Alaska provides debt service reimbursement annually to the university for the UAA University Center and UAS Joint Readiness Center projects, originally financed in 2002 Series K. Accordingly, upon issuance of the proposed refunding bonds, the state will enjoy a portion of the overall savings.

A summary of the estimated debt service savings by benefitting party is provided below:

Summary of Estimated Savings

	State	UAA	UAF	UAS	LGTF(a)
Average Annual	$190,610	$4,546	$141,510	$31,910	$10,699
Average Annual after 2017(b)	$194,488	$5,542	$165,204	$38,888	$16,519
Total over life of debt	$3,049,763	$77,277	$2,361,798	$542,472	$117,684
Present Value	$2,365,281	$58,730	$1,796,860	$412,370	$89,430
Present Value as % of proceeds	15.3%	10.7%	11.5%	10.0%	10.7%
Savings through fiscal year	2028	2029	2031	2029	2023

(a) LGTF – The Land Grant Trust Fund endowment that originally purchased the University Lake Buid G CID 43 >>cu00 Tc 0 w j EMC /LBody <</MCID 52 >>6DC -0.004

WHEREAS, the Bonds will be issued under and pursuant to, and are being secured by, a Trust Indenture dated as of June 1,1992, as amended (the "Master Indenture"), and a Fifteenth Supplemental Indenture (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture"), which shall be in substantially the form presented to and made part of the records of this meeting; and

WHEREAS, there has been presented to this meeting the form of a Preliminary Official Statement for use in connection with the public offering of the Bonds; and

WHEREAS, the Bonds are to be offered at public sale, and there has been presented to this meeting the form of a Notice of Sale (the "Notice of Sale") for use in connection with the public offering of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF ALASKA AS FOLLOWS:

Section 1. The issuance of the Bonds in an amount not to exceed the aggregate principal amount of $38,000,000 is hereby authorized and approved, provided the realization of the herein defined Savings Target. Savings Target for purposes of this Resolution means a dollar amount equal to at least three percent (3%) of the outstanding Refunded Bonds, i.e., the present value of (i) the aggregate debt service on the Refunded Bonds minus (ii) the aggregate debt service on the Bonds, taking into account all costs of issuance on the Bonds, minus contributions to the refunding from other sources, shall be at least three percent (3%) of the outstanding principal of the Refunded Bonds.

Section 2. The President, the acting Vice President for Finance and Administration and Chief Financial Officer, the Controller, and the Associate Vice President for Budget (collectively, the "Authorized Officers") are, and each of them is, hereby authorized to cause the Bonds to be sold at public sale on a date no later than 120 days from the date of approval of this Resolution, subject to the terms and conditions of this Resolution and the Notice of Sale referred to below.

Section 3. The form and content of the Notice of Sale, in all respects, is hereby authorized, approved, and confirmed with such changes as the Authorized Officers consider necessary or appropriate. The Authorized Officers are, and each of

them is, hereby authorized to offer the Bonds at public sale by the University subject to the terms and conditions of the Notice of Sale and this Resolution.

All bids for the sale of the Bonds will be submitted in their entirety on the Grant Street Group's MuniAuction website pursuant to the Notice of Sale. The bidders will be given the option to secure municipal bond insurance for all or a portion of the Bonds.

Section 4. The Authorized Officers are, and each of them is, hereby authorized to issue the Bonds in an aggregate principal amount determined by such Authorized Officers as the amount necessary to redeem the Refunded Bonds, or a portion thereof, as described in Exhibit B to the Supplemental Indenture, subject to the limitations set forth herein at Section 1. Provided, however, the terms of this Resolution do not require the Authorized Officers to redeem any or all of the Refunded Bonds.

Section 5. The Authorized officers are, and each of them is, hereby authorized to call for redemption of the Refunded Bonds, or a portion thereof, on the first available date or dates on which such Refunded Bonds may be redeemed.

Section 6. The form and content of the Supplemental Indenture are hereby, in all respects authorized, approved, and confirmed, and the Authorized Officers are hereby, in all respects severally authorized, empowered, and directed to execute and deliver the Supplemental Indenture for and on behalf of the University to the Trustee named therein

Section 7. The form and content of the Preliminary Official Statement are hereby in all respects authorized, approved and confirmed. The Authorized Officers are, and each of them is, hereby authorized, empowered, and directed to approve the final form of a Preliminary Official Statement and to declare such final form as "deemed final" by the University for purposes of Rule 15c2-12 of the Securities and Exchange Commission (17 CFR 240.15c2-12) (the "Rule") and to approve the final form of the Official Statement. The final form of the Preliminary Official Statement and the Official Statement shall be in substantially the same form as the Preliminary Official Statement presented to and as a part of the records of this meeting, and with such changes as the

SourcesR
Excel File from Dan for SeriesR0212 for BOR

University of Alaska
General Revenue Refunding Bonds, Series R
Reoffering Yields and Prices

Date	Principal	CUSIP 914046	Coupon	Reoffering Yield		Yield to Maturity		Reoffering Price		Proceeds
10/1/12	$ -		-	0.18%				$ -		$ -
10/1/13	955,000		2.00%	0.28%				102.653		980,336.15
10/1/14	990,000		3.00%	0.48%				106.372		1,053,082.80
10/1/15	1,025,000		4.00%	0.68%				111.616		1,144,064.00
10/1/16	1,060,000		3.00%	0.81%				109.757		1,163,424.20
10/1/17	1,635,000		4.00%	0.99%				116.207		1,899,984.45
10/1/18	2,210,000		4.00%	1.29%				116.961		2,584,838.10
10/1/19	2,310,000		5.00%	1.57%				124.321		2,871,815.10
10/1/20	2,420,000		4.00%	1.77%				117.615		2,846,283.00
10/1/21	2,515,000		4.00%	2.00%				117.302		2,950,145.30
10/1/22	2,540,000		5.00%	2.20%	*	2.41%		123.991	*	3,149,371.40
10/1/23	1,955,000		5.00%	2.31%	*	2.68%		122.927	*	2,403,222.85
10/1/24	2,040,000		4.00%	2.62%	*	2.89%		111.588	*	2,276,395.20
10/1/25	2,115,000		4.00%	2.68%	*	3.00%		111.053	*	2,348,770.95
10/1/26	2,220,000		5.00%	2.58%	*	3.23%		120.361	*	2,672,014.20
10/1/27	2,335,000		5.00%	2.69%	*	3.39%		119.334	*	2,786,448.90
10/1/28	1,205,000		5.00%	2.79%	*	3.52%		118.409	*	1,426,828.45
10/1/29	550,000		5.00%	2.95%	*	3.68%		116.947	*	643,208.50
10/1/30	580,000		5.00%	2.95%	*	3.73%		116.947	*	678,292.60
	$ 30,660,000							$ 117.021		$ 35,878,526.15
			less: underwriting discount					(1.00000)		(306,600.00)
			Purchase Price					$ 116.0206332		$ 35,571,926.15

* Price and yield to 10/1/2021 call date

Scale based on $78 million Aa2/AA Washington State University negotiated sale, price February 7

Year	Coupon	Yield		Yield to Maturity	Price	Year	Coupon	Yield		Yield to Maturity	Price
2/23/2012						3/7/2012					
10/1/2013	2.00%	0.28%			102.753	7/1/2013	2.00%	0.22%			102.338
10/1/2014	3.00%	0.48%			106.517	7/1/2014	3.00%	0.35%			106.108
10/1/2015	4.00%	0.68%			111.804	7/1/2015	3.00%	0.56%			108.006
10/1/2016	3.00%	0.81%			109.880	7/1/2016	4.00%	0.68%			114.098
10/1/2017	4.00%	0.99%			116.372	7/1/2017	4.00%	0.85%			116.339
10/1/2018	4.00%	1.29%			117.105	7/1/2018	4.00%	1.22%			116.849
10/1/2019	5.00%	1.57%			124.497	7/1/2019	4.00%	1.47%			117.487
10/1/2020	4.00%	1.77%			117.726	7/1/2020	5.00%	1.73%			125.225
10/1/2021	4.00%	2.00%			117.398	7/1/2021	5.00%	1.95%			125.866
10/1/2022	5.00%	2.20%	*	2.41%	124.122	7/1/2022	5.00%	2.12%			126.558
10/1/2023	5.00%	2.31%	*	2.68%	123.051	7/1/2023	5.00%	2.25%	*	2.44%	125.189
10/1/2024	4.00%	2.62%	*	2.89%	111.650	7/1/2024	5.00%	2.32%	*	2.66%	124.460
10/1/2025	4.00%	2.68%	*	3.00%	111.111	7/1/2025	5.00%	2.38%	*	2.84%	123.838
10/1/2026	5.00%	2.58%	*	3.23%	120.470	7/1/2026	5.00%	2.49%	*	3.03%	122.708
10/1/2027	5.00%	2.69%	*	3.39%	119.436	7/1/2027	5.00%	2.59%	*	3.20%	121.692
10/1/2028	5.00%	2.79%	*	3.52%	118.506	7/1/2028	5.00%	2.68%	*	3.34%	120.786
10/1/2029	5.00%	2.89%	*	3.64%	117.584	7/1/2029	5.00%	2.77%	*	3.46%	119.888
10/1/2030	5.00%	3.00%	*	3.75%	116.580	7/1/2030	5.00%	2.87%	*	3.58%	118.899

University of Alaska
General Revenue Refunding Bonds, Series R

Total University Debt Service and Reserve Fund Requirement

Fiscal Year	Outstanding Revenue Bonds (Ex. K, L,&M)	2012 Series R Principal	2012 Series R Interest	2012 Series R Total	Total General Revenue Bond Debt Service	Other Indebtedness (1)	Total
2013	$ 11,073,863	$ -	$ 1,386,260	$ 1,386,260	$ 12,460,123	$ 2,114,767	$ 14,574,890
2014	10,376,008	955,000	1,314,200	2,269,200	12,645,208	1,905,134	14,550,342
2015	10,246,908	990,000	1,289,800	2,279,800	12,526,708	1,680,169	14,206,877
2016	10,357,049	1,025,000	1,254,450	2,279,450	12,636,499	1,619,624	14,256,123
2017	10,300,425	1,060,000	1,218,050	2,278,050	12,578,475	1,539,594	14,118,069
2018	9,641,524	1,635,000	1,169,450	2,804,450	12,445,974	1,500,000	13,945,974
2019	7,830,399	2,210,000	1,092,550	3,302,550	11,132,949	1,500,000	12,632,949

University of Alaska
General Revenue Bonds, 2002 Series K

Refunded 2002 Series K Bonds

Date	Principal	Coupon	Interest	Total	Fiscal Yr. Total	Fiscal Year
10/1/12	-		$ 531,600.00	$ 531,600.00		
4/1/13			531,600.00	531,600.00	$ 1,063,200	2013
10/1/13	1,030,000	4.10%	531,600.00	1,561,600.00		
4/1/14			510,485.00	510,485.00	2,072,085	2014
10/1/14	1,065,000	4.20%	510,485.00	1,575,485.00		
4/1/15			488,120.00	488,120.00	2,063,605	2015
10/1/15	1,115,000	4.30%	488,120.00	1,603,120.00		
4/1/16			464,147.50	464,147.50	2,067,268	2016
10/1/16	1,165,000	4.40%	464,147.50	1,629,147.50		
4/1/17			438,517.50	438,517.50	2,067,665	2017
10/1/17	1,220,000	4.60%	438,517.50	1,658,517.50		
4/1/18			410,457.50	410,457.50	2,068,975	2018
10/1/18	1,275,000	4.625%	410,457.50	1,685,457.50		
4/1/19			380,973.13	380,973.13	2,066,431	2019
10/1/19	1,340,000	4.75%	380,973.13	1,720,973.13		
4/1/20			349,148.13	349,148.13	2,070,121	2020
10/1/20	1,405,000	4.80%	349,148.13	1,754,148.13		
4/1/21			315,428.13	315,428.13	2,069,576	2021
10/1/21	1,475,000	4.875%	315,428.13	1,790,428.13		
4/1/22			279,475.00	279,475.00	2,069,903	2022
10/1/22	1,550,000	4.90%	279,475.00	1,829,475.00		
4/1/23			241,500.00	241,500.00	2,070,975	2023
10/1/23	1,630,000	5.00%	241,500.00	1,871,500.00		
4/1/24			200,750.00	200,750.00	2,072,250	2024
10/1/24	1,710,000	5.00%	200,750.00	1,910,750.00		
4/1/25			158,000.00	158,000.00	2,068,750	2025
10/1/25	1,800,000	5.00%	158,000.00	1,958,000.00		
4/1/26			113,000.00	113,000.00	2,071,000	2026
10/1/26	1,890,000	5.00%	113,000.00	2,003,000.00		
4/1/27			65,750.00	65,750.00	2,068,750	2027
10/1/27	1,990,000	5.00%	65,750.00	2,055,750.00		
4/1/28			16,000.00	16,000.00	2,071,750	2028
10/1/28	640,000	5.00%	16,000.00	656,000.00	656,000	2029
	$ 22,300,000		$ 10,458,303.75	$ 32,758,304	$ 32,758,304	

University of Alaska
General Revenue Refunding Bonds, Series R

Refunding of 2002K Bonds -- 14.40.257 Projects

Date	Principal	Coupon	Interest	Total	Fiscal Yr. Total	Refunded 2002 State Bonds	Savings	Fiscal Year
10/1/12	$ -	-	$ 304,693.33	$ 304,693.33				
4/1/13			278,400.00	278,400.00	$ 583,093	$ 715,530	$ 132,437	2013
10/1/13	665,000	2.00%	278,400.00	943,400.00				
4/1/14			271,750.00	271,750.00	1,215,150	1,415,873	200,723	2014
10/1/14	685,000	3.00%	271,750.00	956,750.00				
4/1/15			261,475.00	261,475.00	1,218,225	1,410,675	192,450	2015
10/1/15	710,000	4.00%	261,475.00	971,475.00				
4/1/16			247,275.00	247,275.00	1,218,750	1,413,473	194,723	2016
10/1/16	735,000	3.00%	247,275.00	982,275.00				
4/1/17			236,250.00	236,250.00	1,218,525	1,413,990	195,465	2017
10/1/17	760,000	4.00%	236,250.00	996,250.00				
4/1/18			221,050.00	221,050.00	1,217,300	1,411,735	194,435	2018
10/1/18	795,000	4.00%	221,050.00	1,016,050.00				
4/1/19			205,150.00	205,150.00	1,221,200	1,411,834	190,634	2019
10/1/19	a8 40a8940/19 b			205,150.03</MCID 1,223,41 0Tw -1.914 0 Td [( )1y.586 000				

University of Alaska
General Revenue Bonds, 2002 Series K

Debt Service on 14.40.257 Projects

Date	Principal	Coupon	Interest	Total	Fiscal Yr. Total	Fiscal Year
4/1/12			$ 357,765.00	$ 357,765.00	$ 357,765	2012
10/1/12	-		357,765.00	357,765.00		
4/1/13			357,765.00	357,765.00	715,530	2013
10/1/13	715,000	4.10%	357,765.00	1,072,765.00		
4/1/14			343,107.50	343,107.50	1,415,873	2014
10/1/14	740,000	4.20%	343,107.50	1,083,107.50		
4/1/15			327,567.50	327,567.50	1,410,675	2015
10/1/15	775,000	4.30%	327,567.50	1,102,567.50		
4/1/16			310,905.00	310,905.00	1,413,473	2016
10/1/16	810,000	4.40%	310,905.00	1,120,905.00		
4/1/17			293,085.00	293,085.00	1,413,990	2017
10/1/17	845,000	4.60%	293,085.00	1,138,085.00		
4/1/18			273,650.00	273,650.00	1,411,735	2018
10/1/18	885,000	4.63%	273,650.00	1,158,650.00		
4/1/19			253,184.38	253,184.38	1,411,834	2019
10/1/19	930,000	4.75%	253,184.38	1,183,184.38		
4/1/20			231,096.88	231,096.88	1,414,281	2020
10/1/20	975,000	4.80%	231,096.88	1,206,096.88		
4/1/21			207,696.88	207,696.88	1,413,794	2021
10/1/21	1,025,000	4.88%	207,696.88	1,232,696.88		
4/1/22			182,712.50	182,712.50	1,415,409	2022
10/1/22	1,075,000	4.90%	182,712.50	1,257,712.50		
4/1/23			156,375.00	156,375.00	1,414,088	2023
10/1/23	1,130,000	5.00%	156,375.00	1,286,375.00		
4/1/24			128,125.00	128,125.00	1,414,500	2024
10/1/24	1,185,000	5.00%	128,125.00	1,313,125.00		
4/1/25			98,500.00	98,500.00	1,411,625	2025
10/1/25	1,250,000	5.00%	98,500.00	1,348,500.00		
4/1/26			67,250.00	67,250.00	1,415,750	2026
10/1/26	1,310,000	5.00%	67,250.00	1,377,250.00		
4/1/27			34,500.00	34,500.00	1,411,750	2027
10/1/27	1,380,000	5.00%	34,500.00	1,414,500.00	1,414,500	
	$ 15,030,000		$ 7,246,571	$ 22,276,571	$ 22,276,571	

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University of Alaska
General Revenue Refunding Bonds, Series R

Refunding of 2002K West Ridge Bonds

Date	Principal	Coupon	Interest	Total	Fiscal Yr. Total	Refunded West Ridge	Fiscal

University of Alaska
General Revenue Refunding Bonds, Series R

Refunding of 2003L Bonds -- Fairbanks Campus (West Ridge, Athletic Facilty, Electric Line)

Date	Principal	Coupon	Interest	Total	Fiscal Yr. Total	Refunded Series L	Savings	Fiscal Year	
4/1/12									
10/1/12	-	0.00%	$ 121,893.75	$ 121,893.75					
4/1/13			111,375.00	111,375.00	$ 233,269	$ 236,180	$ 2,911	2013	
10/1/13	-	2.00%	111,375.00	111,375.00					
4/1/14			111,375.00	111,375.00	222,750	236,180	13,430	2014	
10/1/14	-	3.00%	111,375.00	111,375.00					
4/1/15			111,375.00	111,375.00	222,750	236,180	13,430	2015	
10/1/15	-	4.00%	111,375.00	111,375.00					
4/1/16			111,375.00	111,375.00	222,750	236,180	13,430	2016	
10/1/16	-	3.00%	111,375.00	111,375.00					
4/1/17			111,375.00	111,375.00	222,750	236,180	13,430	2017	
10/1/17	145,000	4.00%	111,375.00	256,375.00					
4/1/18			108,475.00	108,475.00	364,850	402,865	38,015	2018	
10/1/18	420,000	4.00%	108,475.00	528,475.00					
4/1/19			100,075.00	100,075.00	628,550	670,550	42,000	2019	
10/1/19	440,000	5.00%	100,075.00	540,075.00					
4/1/20			89,075.00	89,075.00	629,150	671,915	42,765	2020	
10/1/20	460,000	4.00%	89,075.00	549,075.00					
4/1/21			79,875.00	79,875.00	628,950	671,990	43,040	2021	
10/1/21	475,000	4.00%	79,875.00	554,875.00					
4/1/22			70,375.00	70,375.00	625,250	675,628	50,378	2022	
10/1/22	500,000	5.00%	70,375.00	570,375.00					
4/1/23			57,875.00	57,875.00	628,250	667,895	39,645	2023	
10/1/23	190,000	5.00%	57,875.00	247,875.00					
4/1/24			53,125.00	53,125.00	301,000	341,285	40,285	2024	
10/1/24	195,000	4.00%	53,125.00	248,125.00					
4/1/25			49,225.00	49,225.00	297,350	341,160	43,810	2025	
10/1/25	205,000	4.00%	49,225.00	254,225.00					
4/1/26			45,125.00	45,125.00	299,350	340,345	40,995	2026	
10/1/26	215,000	5.00%	45,125.00	260,125.00					
4/1/27			39,750.00	39,750.00	299,875	338,830	38,955	2027	
10/1/27	225,000	5.00%	39,750.00	264,750.00					
4/1/28			34,125.00	34,125.00	298,875	341,728	42,853	2028	
10/1/28	235,000	5.00%	34,125.00	269,125.00					
4/1/29			28,250.00	28,250.00	297,375	343,920	46,545	2029	
10/1/29	550,000	5.00%	28,250.00	578,250.00					
4/1/30			14,500.00	14,500.00	592,750	638,358	45,608	2030	
10/1/30	580,000	5.00%	14,500.00	594,500.00	594,500	639,688	45,188	2031	$ 500.00

University of Alaska
General Revenue Bonds, 2004 Series M

Debt Service on Series M Anchorage Bonds

Anchorage
Campus

University of Alaska
General Revenue Refunding Bonds, Series R

Refunding of Series M Juneau Campus Bonds

Date	Principal	Coupon	Interest	Total	Fiscal Yr. Total	Refunded 2004M Bonds	Savings	Fiscal Year
10/1/12	$ -	0.00%	$ 50,426.53	$ 50,426.53				
4/1/13			46,075.00	46,075.00	$ 96,502	$ 101,724	$ 5,222	2013
10/1/13	-	2.00%	46,075.00	46,075.00				
4/1/14			46,075.00	46,075.00	92,150	101,724	9,574	2014
10/1/14	-	3.00%	46,075.00	46,075.00				
4/1/15			46,075.00	46,075.00	92,150	101,724	9,574	2015
10/1/15	-	4.00%	46,075.00	46,075.00				
4/1/16			46,075.00	46,075.00	92,150	101,724	9,574	2016
10/1/16	-	3.00%	46,075.00	46,075.00				
4/1/17			46,075.00	46,075.00	92,150	101,724	9,574	2017
10/1/17	130,000	4.00%	46,075.00	176,075.00				
4/1/18			43,475.00	43,475.00	219,550	243,751	24,201	2018
10/1/18	135,000	4.00%	43,475.00	178,475.00				
4/1/19			40,775.00	40,775.00	219,250	242,629	23,379	2019
10/1/19	145,000	5.00%	40,775.00	185,775.00				
4/1/20			37,150.00	37,150.00	222,925	241,146	18,221	2020
10/1/20	150,000	4.00%	37,150.00	187,150.00				
4/1/21			34,150.00	34,150.00	221,300	244,204	22,904	2021
10/1/21	155,000	4.00%	34,150.00	189,150.00				
4/1/22			31,050.00	31,050.00	220,200	241,770	21,570	2022
10/1/22	165,000	5.00%	31,050.00	196,050.00				
4/1/23			26,925.00	26,925.00	222,975	243,895	20,920	2023
10/1/23	170,000	5.00%	26,925.00	196,925.00				
4/1/24			22,675.00	22,675.00	219,600	245,475	25,875	2024
10/1/24	180,000	4.00%	22,675.00	202,675.00				
4/1/25			19,075.00	19,075.00	221,750	241,571	19,821	2025
10/1/25	185,000	4.00%	19,075.00	204,075.00				
4/1/26			15,375.00	15,375.00	219,450	242,169	22,719	2026
10/1/26	195,000	5.00%	15,375.00	210,375.00				
4/1/27			10,500.00	10,500.00	220,875	242,194	21,319	2027
10/1/27	205,000	5.00%	10,500.00	215,500.00				
4/1/28			5,375.00	5,375.00	220,875	241,744	20,869	2028
10/1/28	215,000	5.00%	5,375.00	220,375.00	220,375	245,700	25,325	2029
	$ 2,030,000		$ 1,084,227	$ 3,114,227	$ 3,114,227	$ 3,424,867	$ 310,640	

Present Value of Savings (net of Reserve Fund release) $ 235,370
As a % of Refunding Bonds Proceeds 9.8%

University of Alaska
General Revenue Bonds, 2004 Series M

Debt Service on Series M Juneau Bonds

Date	Principal	Coupon	Interest	Total	Fiscal	Fiscal

University of Alaska
General Revenue Bonds, 2004 Series M

Debt Service on Series M Fairbanks Bonds (Logistic Facility & Hutch Center)

Date	Principal	Coupon	Interest	Total	Fiscal Yr. Total	Principal	Interest	Total	Fiscal Yr. Total	Fairbanks Campus Fiscal Yr. Total	Fiscal Year
4/1/12			$ 16,104.38	$ 16,104.38	$ 16,104		$ 15,445.00	$ 15,445.00	$ 15,445	$ 31,549	2012
10/1/12			16,104.38	16,104.38			15,445.00	15,445.00			
4/1/13			16,104.38	16,104.38	32,209		15,445.00	15,445.00	30,890	63,099	2013
10/1/13			16,104.38	16,104.38			15,445.00	15,445.00			
4/1/14			16,104.38	16,104.38	32,209		15,445.00	15,445.00	30,890	63,099	2014
10/1/14			16,104.38	16,104.38			15,445.00	15,445.00			
4/1/15			16,104.38	16,104.38	32,209		15,445.00	15,445.00	30,890	63,099	2015
10/1/15			16,104.38	16,104.38			15,445.00	15,445.00			
4/1/16			16,104.38	16,104.38	32,209		15,445.00	15,445.00	30,890	63,099	2016
10/1/16			16,104.38	16,104.38			15,445.00	15,445.00			
4/1/17			16,104.38	16,104.38	32,209		15,445.00	15,445.00	30,890	63,099	2017
10/1/17		4.10%	16,104.38	16,104.38			15,445.00	15,445.00			
4/1/18			16,104.38	16,104.38	32,209		15,445.00	15,445.00	30,890	63,099	2018
10/1/18	135,000	4.20%	16,104.38	151,104.38		130,000	15,445.00	145,445.00			
4/1/19			13,269.38	13,269.38	164,374		12,715.00	12,715.00	158,160	322,534	2019
10/1/19	140,000	4.30%	13,269.38	153,269.38		135,000	12,715.00	147,715.00			
4/1/20			10,259.38	10,259.38	163,529		9,812.50	9,812.50	157,528	321,056	2020
10/1/20	145,000	4.38%	10,259.38	155,259.38		140,000	9,812.50	149,812.50			
4/1/21			7,087.50	7,087.50	162,347		6,750.00	6,750.00	156,563	318,909	2021
10/1/21	155,000	4.50%	7,087.50	162,087.50		145,000	6,750.00	151,750.00			
4/1/22			3,600.00	3,600.00	165,688		3,487.50	3,487.50	155,238	320,925	2022
10/1/22	160,000	4.50%	3,600.00	163,600.00		155,000	3,487.50	158,487.50			
4/1/23			-	-	163,600				158,488	322,088	2023

FIFTEENTH SUPPLEMENTAL INDENTURE

E\ DQG EHWZHHQ

UNIVERSITY OF ALASKA

DQG

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

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EXHIBIT B

General Revenue Bonds, 2004 Series M

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NOTICE OF SALE
AND BIDDING INSTRUCTIONS

$30,665,000*
UNIVERSITY OF ALASKA
GENERAL REVENUE REFUNDING BONDS, 2012 SERIES R

THE SALE

Bonds Offered for Sale at Competitive Bidding. The University of Alaska (the "University") is offering for sale its $30,665,000* General Revenue Refunding Bonds, 2012 Series R (the "2012 Series R Bonds").

Manner of Submission of Bids. All bids must be submitted in their entirety on Grant Street Group's MuniAuction Web site ("MuniAuction") located at "www. GrantStreet.com" pursuant to this Notice on Wednesday, February 29, 2012, beginning 9:45 a.m. until 10:00 a.m. Central Time, unless otherwise extended by the two-minute rule described herein.

No other provider of electronic bidding services and no other means of delivery (i.e. telephone, telefax, personal delivery bids, etc.) will be accepted. Bidders may change and submit bids as many times as they like during the auction; provided, however, each submitted bid, other than a bidder's initial bid, must result in a lower true interest cost ("TIC") when compared to the immediately preceding bid of such bidder. If any bid in the auction becomes a leading bid two minutes prior to the end of the auction, then the auction will be automatically extended by two minutes from the time such bid was received by MuniAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes. The last bid submitted by a bidder before the end of the auction will be compared to all other final bids submitted by others to determine the winning bidder. During the bidding, no bidder will see any other bidder's bid, but each bidder will be able to see its ranking (i.e., "Leader," "Cover," "3rd," etc.). For further information about MuniAuction, potential bidders may contact MuniAuction at (412) 391-5555 x370. If any provision of this Notice of Sale conflicts with information provided by any other source, including MuniAuction, this Notice of Sale shall control.

To bid via the MuniAuction website, bidders must have both (1) completed the registration form on the MuniAuction website; and (2) requested and received admission to the University's auction, both as more fully described herein under "Registration and Admission to Bid." The use of MuniAuction shall be at the bidder's risk, and the University shall have no liability with respect thereto.

By submitting a bid for the 2012 Series R Bonds, a prospective purchaser represents and warrants to the University that such bid is submitted by an officer or agent who is duly authorized to bind the prospective purchaser to a legal, valid and enforceable contract for the purchase of the 2012 Series R Bonds.

* P

the event that the University rejects all bids, notice of a new sale date, if any, will be carried on the Amendments page of the MuniAuction website.

The 2012 Series R Bonds

Bond Details. Subject to modification by the University as described herein, the 2012 Series R Bonds will mature on October 1 in the years and in the principal amounts, as follows:

Due	Amount *	Due	Amount *	Due	Amount*
2013		2019		2025	
2014		2020		2026	
2015		2021		2027	
2016		2022		2028	
2017		2023		2029	
2018		2024		2030	

The 2012 Series R Bonds will be dated as of their delivery date (which is expected to be on March 14, 2012) and will bear interest from their dated date, payable on October 1, 2012, and semiannually thereafter on April 1 and October 1 of each year. Interest will be computed upon the basis of a 360 day year of twelve 30 day months. Any consecutive maturities may be aggregated into term bonds at the option of the bidder, as further described in "Optional Designations of Term Bonds and Mandatory Sinking Fund Redemption" herein.

The University reserves the right to modify the aggregate principal amount and the principal amount of each maturity by notice on the Amendments Page of the MuniAuction website no later than 3:00 p.m., Central Time, on Wednesday, February 28, 2012 or such other date that the sale has been scheduled.

Adjustment of Maturities. The University reserves the right to change the aggregate principal amount of the 2012 Series R Bonds by 15% and to change the principal amount of each maturity in increments of $5,000 and in an amount that does not exceed $400,000 of the principal amount of such maturity as shown in the schedule of maturities, provided that any such changes shall not, in the aggregate cause the total principal amount of 2012 Series R Bonds to exceed $38,000,000. Notice of any adjustment shall be given to the successful bidder by 3:00 p.m. Central Time on the day of the sale.

In the event of such adjustment, no rebidding or recalculation of the Bids will be permitted or required. The successful bidder may not withdraw its bid or change the coupon or initial offering price of any maturity as a result of these adjustments.

In the event of an adjustment in the amount of the maturities, the purchase price of the 2012 Series R Bonds will be computed by taking the par amount of the 2012 Series R Bonds and (1) either

* Preliminary, subject to change, as described in "Adjustment of Maturities" herein.

subtracting the aggregate original issue discount or adding the aggregate original issue premium, as applicable, computed on the adjusted par amounts of each maturity of the 2012 Series R Bonds and the re-offering prices provided by the winning bidder, and (2) subtracting the amount of the bond insurance premium, if any, and (3) subtracting the amount obtained by multiplying the per bond dollar amount of the underwriter's discount by the adjusted par amount of the 2012 Series R Bonds. For purposes of computing the purchase price, the insurance premium is not considered part of the underwriter's discount.

The 2012 Series R Bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same initial reoffering price as specified for that maturity immediately after award of the 2012 Series R Bonds to the successful bidder for 2012 Series R Bonds. However, the award will be made to the bidder whose bid produces the lowest true interest cost, calculated as specified above, solely on the basis of the 2012 Series R Bonds offered, without taking into account any adjustment in the amounts pursuant to this section.

Optional Designations of Term Bonds and Mandatory Sinking Fund Redemption. Any bidder may, at its option, designate term bonds which are subject to mandatory sinking fund redemption in consecutive years immediately preceding the maturity thereof (a "Term Bond") as designated in the bid of such bidder. In the event that the bid of the successful bidder specifies that any maturity of the 2012 Series R Bonds will be a Term Bond, such Term Bond will be subject to mandatory sinking fund redemption on October 1 in each applicable year, in the principal amount for such year as set forth herein under the heading "Bond Details," or as adjusted as provided herein, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest to the redemption date, without premium.

Immobilization of the 2012 Series R Bonds. The 2012 Series R Bonds will be issued in fully registered form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") as registered owner of the 2012 Series R Bonds and immobilized in the custody of DTC which will act as securities depository for the 2012 Series R Bonds. A book-entry system will be employed by DTC evidencing ownership of the 2012 Series R Bonds in principal amounts of $5,000 or any integral multiple thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC.

Payment of interest and principal (either at maturity or on a sinking fund payment date) on the 2012 Series R Bonds will be made to DTC or its nominee as registered owner of the 2012 Series R Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and persons acting through such participants (the "Participants"), and other nominees of beneficial owners. The University will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, the payment by DTC or a Participant of principal of or interest on the 2012 Series R Bonds, any notice to bondholders or

accordance with the Indenture, on or after October 1, 2021, at a redemption price equal to the principal amount thereof with interest accrued to the redemption date.

Security for the 2012 Series R Bonds. The Bonds are special and limited obligations of the University

Registration and Admission to Bid. To bid by MuniAuction, bidders must first visit the MuniAuction website where, if they have never registered with MuniAuction or one of its private label websites, they can register and then request admission to bid on the 2012 Series R Bonds. Only entities having DTC clearing arrangements and that are NASD registered broker-dealers and dealer banks will be eligible to bid.

Rules of MuniAuction. The Rules of MuniAuction can be viewed on the MuniAuction website. Bidders must comply with the rules of MuniAuction in addition to the requirements of this Notice of Sale. In the event the rules of MuniAuction conflict with this Notice of Sale, this Notice of Sale shall prevail.

Good Faith Deposit. A Good Faith Depositt7( )]TJ 0.00$7 Tw -24.59 0 (35ET / ( )Tj -0.002 Tc 0.002 Tw

University will also pay for the cost of bond ratings from Moody's Investor's Service and Standard & Poor's Corporation.

The University will confirm to the successful bidder, by a certificate signed on its behalf by the Controller and delivered at the closing, that at the time of the acceptance of the bid, and at the time of the closing, insofar as the University and its affairs, including its financial affairs, are concerned, the Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Payment. The successful bidder shall make full payment of the balance of the purchase price of the 2012 Series R Bonds to the University at the time of delivery in Federal Funds or other immediately available funds without cost to the University.

Tax-Exempt Status. The opinion of Wohlforth, Brecht, Cartledge & Brooking of Anchorage, Alaska, will state that, based on an analysis of existing statutes, regulations, published rulings and judicial decisions, and assuming, among other things, compliance by the University with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the 2012 Series R Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the 2012 Series R Bonds is taken into account in the computation of adjusted current earnings for purposes of the federal corporate alternative minimum tax. For further information as to tax exemption, please refer to the Preliminary Official Statement.

Legal Opinion. The approving opinion of Wohlforth, Brecht, Cartledge and Brooking of Anchorage, Alaska, approving the validity of the 2012 Series R Bonds, will be furnished in a reasonable quantity to the successful bidder without cost upon delivery of the 2012 Series R Bonds.

CUSIP Numbers. The winning underwriter will be required to apply and pay for the CUSIP identification numbers within 24 hours of the sale date and such numbers will be printed on the 2012 Series R Bonds. Neither the failure to print such number on any 2012 Series R Bonds nor any error with respect thereto shall constitute cause for the successful bidder to fail or refuse to accept delivery of and pay for the 2012 Series R Bonds. No liability shall attach to the University or any officer or agent thereof, including any paying agent or registrar for the 2012 Series R Bonds, by reason of such number or by reason of any inaccuracy, error, or omission with respect thereto.

Continuing Disclosure Undertaking. In order to assist bidders in complying with SEC Rule 15c2-12(b)(5), the University will undertake to provide certain annual financial information, and the University will undertake to provide notices of certain events with respect to the 2012 Series R Bonds. A description of this undertaking is set forth in Appendix D of the Preliminary Official Statement and

Official Statement by notice on the Amendments Page of the MuniAuction website no later than 3:00 p.m., Central Time, on Wednesday, February 28, 2012 or such other date that the sale has been scheduled.

Additional Information. A Preliminary Official Statement relating to the 2012 Series R Bonds may be obtained on the website of MuniAuction, from Kaplan Financial Consulting, Inc., 1215 Washington Avenue, Suite 205, Wilmette, Illinois 60091, (847) 920-1670 or from Myron Dosch, Controller, University of Alaska, 910 Yukon Drive, Suite 207, Fairbanks, Alaska 99775, telephone: (907) 450-8079 or Wei Guo, Senior Accountant, at (907) 450-8089.

The Preliminary Official Statement, referred to above, as of its dated date is "deemed final" by the University for purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and completion in the form of a final Official Statement.

By awarding the 2012 Series R Bonds to an underwriter or underwriting syndicate the University agrees that within seven (7) business days after the date of such award it shall provide the senior managing underwriter of the successful syndicate with copies of a final Official Statement. The senior managing underwriter of the successful syndicate will be supplied with final Official Statements in a quantity sufficient to meet its request. Up to 200 copies of the final Official Statement will be furnished without cost.

The University designates the senior managing underwriter of the syndicate to which the 2012 Series R Bonds are awarded as its agent for purposes of distributing copies of the final Official Statement to each participating underwriter. Any underwriter executing and delivering an Official Confirmation Form with respect to the 2012 Series R Bonds agrees thereby that (i) it shall accept such designation, (ii) it will enter into a contractual relationship with all participating underwriters of the 2012 Series R Bonds for purposes of assuring the receipt by each such participating underwriter of the final Official Statement, and (iii) it agrees to file, or cause to be filed, within one business day following the receipt from the University, the final Official Statement with a nationally recognized municipal securities information repository designated by the Securities and Exchange Commission.

DATED: February 24, 2012

UNIVERSITY OF ALASKA

By Myron Dosch

Myron Dosch
Controller

OFFICIAL CONFIRMATION FORM (Internet Sale)

Board of Regents
University of Alaska
Fairbanks, Alaska 99775

February 29, 2012

Re: $30,665,000* General Revenue Refunding , 2012 Series R

Dear Members of the Board:

For the $30,665,000* General Revenue Refunding Bonds, 2012 Series R (the "2012 Series R Bonds") of the University of Alaska (the "University"), as described in the annexed Notice of Sale, which is expressly made a part of this bid, we will pay you $_____ bearing interest as follows (the rate being a multiple of 1/8th or 1/100th of 1%). We have purchased bond insurance from _____ for the following maturities _____ at a total dollar cost of $_____.

MATURITY SCHEDULE – OCTOBER 1

Due	Amount	Due	Amount	Due	Amount
2013	$	2019	$	2025	
2014		2020		2026	
2015		2021		2027	
2016		2022		2028	
2017		2023		2029	
2018		2024		2030	

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above. The following maturities are sinking fund installments:

Maturities_____ Term Maturity_____ Maturities_____ Term Maturity_____

As evidence of our good faith, we have provided for a wire transfer in the amount of $350,000 (the "Deposit") under the terms provided in your Notice of Sale. Attached hereto is a list of members of our account on whose behalf this bid is made.

ACCOUNT MANAGER INFORMATION

Name _____ _____
Address:_____
By: _____
City _____ State/Zip_____
Direct Phone:_____
FAX Number:_____ _____

The foregoing bid was accepted on the 2012 Series R Bonds as authorized by resolution of the University on February 24, 2012 and receipt is hereby acknowledged of the Good Faith Deposit which is being held in accordance with the terms of the annexed Notice of Sale.

UNIVERSITY OF ALASKA

_____
Authorized University Officer

-------NOT PART OF THE CONFIRMATION -------

Our calculation of the true interest cost ("TIC") to March 1, 2012 produces a net effective interest rate of _____%.

*Preliminary, subject to change

This Official Statement is furnished by the University to provide information regarding the sale of the Bonds referred to herein and may not be reproduced or be used, in whole or in part, for any other purpose. The delivery of this Official Statement does not imply that information herein is correct as of any time subsequent to the date hereof.

No dealer, broker, salesman or other person has been authorized by the University to give any information or make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the University. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor is there authorized to be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. This Official Statement is not to be construed as a contract with purchasers or owners of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as matters of fact.

UPON ISSUANCE, THE BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE, OR OTHER GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED ON THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE BONDS FOR SALE. THE INDENTURE WILL NOT BE QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED.

This Official Statement is submitted by the University in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

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OFFICIAL STATEMENT

$_____000
UNIVERSITY OF ALASKA
General Revenue Refunding Bonds, 2012 Series R

INTRODUCTION

The Bonds will initially be issued in book-entry only form in denominations of $5,000 or any integral multiple thereof. The Bonds, when executed and delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as depository for the Bonds. Purchasers of beneficial interests in the Bonds will not receive physical delivery of certificates representing their interests in the Bonds. So long as DTC, or its nominee, Cede & Co. is the registered owner of all the Bonds, all payments on the Bonds will be made directly to DTC, and disbursements of such payments to the hereafter described Beneficial Owners of the Bonds will be the responsibility of the DTC Participants as more fully described hereafter.

OPTIONAL REDEMPTION

The Bonds maturing on or after October 1, 2022 are subject to redemption at the option of the University, either as a whole or in part, in any order of maturity, on any date selected by the University, subject to the provisions of, and in accordance with the Indenture, on or after October 1, 2021, at a redemption price equal to 100% of the principal amount of the Bonds being redeemed, plus accrued interest, if any, to the redemption date.

MANDATORY REDEMPTION

Unless previously redeemed pursuant to the foregoing optional redemption provisions, the Bonds maturing on October 1, 20__ (the "Term Bonds") are subject to redemption on October 1 of the following years and in the following principal amounts at 100% of the principal amount of the Bonds to be redeemed plus accrued interest, if any, to the redemption date.

Term Bonds Due October 1, 20___

Year	Term [2 Tc 0.052ons1.6 2 72anking3 -1.Fu2(rR)35.764(qui)-1(-2(t)-5("2
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	fo5 fu -82(i)-5(pa5)-5(m(p)2.696f)-4(o)-2(t)-17.be rF[2o(p)2.84-2( )-1(ur47))
	b RETURN2(i)-5(-27.38)Dr [(r)6(e)2.12 1.4(r)3.1 27.7 15.005 72.2 1 0( )-1(RETURN27)

Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, tr5(i)-5(ons)-<

THE USE OF BOND PROCEEDS

GENERAL

The Bonds will be issued for purposes of (i) advance refunding and redeeming certain maturities of the University's general revenue bonds, as described below in "Refunding Program," and (ii) paying the costs of issuance of the Bonds, including the underwriter's discount.

REFUNDING PROGRAM

The Bonds are being issued to provide for, depending on market conditions at the time of the sale of the Bonds, the refunding of the outstanding University general revenue bonds described (the below "Refunded Bond Candidates").

The net proceeds of the Bonds will be applied, together with other legally available funds, to refund the selected Refunded Bond Candidates. Depending on market conditions on the date of sale of the Bonds, and the resulting savings, the University may include all, or a portion, or none of the Refunded Bond Candidates. The University is not obligated to refund any or all of the candidates listed below.

General Revenue Bonds, Series 2002 K, Redemption date: October 1, 2012

Maturity	CUSIP 914046	Maturity	CUSIP 914046
2013	QT7	2019	QZ3
2014	QU4	2020	RA7
2015	QV2	2021	RB5
2016	QW0	2022	RC3
2017	QX8	2028	RG4
2018	QY6		

General Revenue Bonds, Series 2003 L, Redemption date: October 1, 2013

Maturity	CUSIP 914046	Maturity	CUSIP 914046
2014	RT6	2020	RZ2
2015	RU3	2021	SA6
2016	RV1	2022	

(The Refunded Bond Candidates selected on the sale date to be refunded are herein referred to as the "Refunded Bonds".)

The University will enter into an irrevocable Escrow Agreement with The Bank of New York Mellon Trust Company (the "Escrow Agent"), as agent for the Refunded Bonds. Funds held under the Escrow Agent will be invested in direct obligations of, or any obligation the full and timely payment of principal and interest on which is guaranteed by the United States of America ("Federal Obligations") in an amount sufficient to make full and timely payment of the redemption price of the Refunded Bonds, along with the interest on the Refunded Bonds to the redemption date. All amounts deposited with the Escrow Agent, including interest earnings thereon, are pledged solely and irremer(a4(r)-4(e)9u5(y)11(a)- 0 Tc 0 T

and a Fifteenth Supplemental Indenture dated March 1, 2012 by and between the University and the Trustee (the "Indenture"). Since 1992, the University has issued sixteen series of general revenue bonds

ADDITIONAL BONDS

The University may issue one or more series of Additional Bonds on a parity with the Bonds and secured by an equal lien on the Revenues for the following purposes:

(a) Additional Bonds may be issued to provide funds to pay for the cost of Acquisition or Construction of a project for the University, upon delivery to the Trustee of a certificate from an Authorized Officer of the University that the amount of Revenues received by the University during the last Fiscal Year prior to the issuance of the Additional Bonds was at least equal to two times Maximum Aggregate Debt Service with respect to all Bonds and Additional Bonds to be outstanding after the issuance of such Additional Bonds and 1.0 times any amount of the draws, interest and expenses then due and owing under any Reserve Equivalent.

(b) Additional Bonds may be issued to refund any outstanding obligations of the University including the Bonds. The University must certify either (i) that Aggregate Debt Service in any Fiscal Year will not be increased as a result of such refunding, or (ii) that the amount of Revenues received by the University during the last Fiscal Year prior to the issuance of the Additional Bonds was at least equal to two times Maximum Aggregate Debt Service with respect to all Bonds and Additional Bonds to be outstanding after the issuance of such Additional Bonds.

Subordinated indebtedness secured by a lien on the Revenues may be issued provided that such lien is junior and inferior to the lien of the Bonds on the Revenues. There is no subordinated indebtedness secured by a lien on the Revenues as of the date of this Official Statement.

DEBT SERVICE COVERAGE

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GENERAL INFORMATION CONCERNING
THE UNIVERSITY OF ALASKA

GENERAL

The University of Alaska is the only public institution of higher learning in the State. It is a Statewide system that consists of three multi-mission universities located in Anchorage, Fairbanks, and Juneau with extended satellite colleges and sites throughout the State, including over 100 extension and research sites. The University was established at Fairbanks, Alaska, by Congress in 1915 as the Alaska Agricultural College and School of Mines; in 1935 it was renamed the University of Alaska; and in 1959 was established as the State university in the Alaska State Constitution. The University has expanded to include full-service universities in Fairbanks, Anchorage, and Juneau; lower division college centers in Bethel, Dillingham, Ketchikan, Kodiak, Kotzebue, Nome, Palmer, Sitka, and Soldotna; a community college at Valdez; and vocational, rural education, and extension sites throughout the State.

The University is governed by an eleven-member Board of Regents, which is appointed by the governor. In June 2010, the Board of Regents appointed then President of Alaska Railroad Corporation Patrick K. Gamble as the 13th president of the University of Alaska. Chancellors head the major regional instructional units: the University of Alaska Fairbanks, the University of Alaska Anchorage and the University of Alaska Southeast. The system's administrative offices are located on the Fairbanks campus.

DESCRIPTION OF THE PROGRAMS

The University of Alaska Anchorage offers baccalaureate and associate degrees, as well as certificate programs, through its colleges of arts and sciences, business and public policy, education and health and social welfare, as well as the schools of engineering, nursing and social work. I c()dd-2(i)-5(t)-5(i)-5(o(l)-3tu(s)
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The multi-mission university located in Juneau is referred to herein as the “University of Alaska Southeast” and is a comprehensive regional university with the primary purpose of providing post secondary education in Southeast Alaska. The University of Alaska Southeast has campuses in Juneau, Ketchikan, and Sitka, and outreach locations throughout its region. It offers certificate programs and associate of applied science degrees in vocational-technical and business-related areas; associate of arts degrees and baccalaureate degrees in the liberal arts, sciences, education, business, and social sciences; and master's degrees in selected professional fields. In the Statewide system, this institution shares responsibility for programs in public administration, early childhood education and educational technology and has responsibility for statewide distance delivery of degrees in liberal arts and business and the master’s degree in public administration.

ACCREDITATIONS

The four accredited institutions of the University, University of Alaska Anchorage, University of Alaska Fairbanks, University of Alaska Southeast, and Prince William Sound Community College, are accredited by the Northwest Commission on Colleges and Universities. Various schools and colleges at each institution are also accredited by their appropriate accrediting bodies.

ADMINISTRATION OF THE UNIVERSITY

BOARD OF REGENTS

Established in 1917 as the Board of Trustees and made the Board of Regents by an act of the Territorial Legislature on July 1, 1935, the Board of Regents is an autonomous organization and the highest authority in the administration of the University. The eleven-member Board of Regents is governed by Title 14, Chapter 40.120-170 of the Alaska Statutes, which provides for the appointment of the Regents by the Governor of the State for overlapping terms of eight years, subject to confirmation by the State Legislature. Provision for a student representative to the Board of Regents, with a term of two years, was made in 1975. Members of the Board of Regents are as follows:

Patricia Jacobson, Chair
Kirk Wickersham, Secretary
Mari Freitag, Student Regent
Fuller A. Cowell
Mary K. Hughes
Michael Powers
Vacant, Vice Chair
Jyotsna Heckman, Treasurer
Timothy C. Brady
Kenneth J. Fisher
Carl Marrs

Board of Regents members receive no compensation for their services, but are reimbursed for expenses incurred in performing their duties.

BUSINESS AND FINANCE OFFICERS

The University’s present business and financial officers are listed below, with biographical sketches following.

Patrick K. Gamble, President, UA
Vacant, Vice President for Finance and Administration and Chief Financial Officer
Michael Hostina, General Counsel, UA
Myron J. Dosch, Controller, UA
Wei Guo, Senior Accountant, UA
James Danielson, Vice Chancellor for Administrative Services, UAS
Pat Pitney, Vice Chancellor for Administrative Services, UA
William H. Spindle, Vice Chancellor for Administrative Services, UAA

Patrick K. Gamble, became the 31th president of the University of Alaska on June 1, 2010. Prior to joining the university, he served Alaska for over nine years as president and chief executive officer of the Alaska Railroad Corporation. Before leading the railroad, Mr. Gamble served as a fighter pilot in the U.S. Air Force, retiring as a four-star general and as commander of the United States Air Force in the Pacific Region. Prior to that assignment, Mr. Gamble was director of Air Force Air and Space Operations in the Pentagon. From 1996 to 1998, he served as commander of Alaskan Command. Previous military assignments included director of NATO operations and logistics during Bosnia operations. He also served as Commandant of the U.S. Air Force Academy and commanded two fighter wings.

Mr. Gamble earned a Bachelor of Arts degree in mathematics from Texas A & M University and a Master of Business Administration from Auburn University, Alabama.

Vice President for Finance and Administration and Chief Financial Officer. This position is vacant
[illegible]
The University is in the process of recruiting for this position.

Michael Hostina was appointed General Counsel for the University Statewide System in October 2011. Mr. Hostina served as Associate General Counsel for the University from 2002 to 2011. He served as the University's director of labor rela[illegible]

William H. Spindle, Ed.D., is Vice Chancellor for Administrative Services at the University of Alaska Anchorage (UAA), a position he has been in since June 2007. Prior to this appointment, Dr. Spindle was the Director of Business Services beginning in 1999. Dr. Spindle began his University of Alaska experience in 1997, serving as the Deputy Chief Procurement Officer and the Interim Chief Procurement Officer until 1999. Prior to coming to the University, he served for twenty-five years in the Air Force

THE STUDENT BODY

STUDENT ENROLLMENT

Approximately ninety percent of the University students are residents of the State of Alaska. The remaining students come from the other 49 states and many foreign countries.

The University believes enrollment will increase modestly for the near future because more Alaskan

Section 529 College Savings Plan. In 1991, the Alaska legislature established the Advance College Tuition program within the University of Alaska. The program was one of the first of what would eventually become known as Section 529 College Savings Plans. In 1997, the University modified the program to comply with Section 529 of the Internal Revenue Code. In 2001, the University established the Education Trust of Alaska ("Trust") and converted the program from a prepaid tuition program to a full-range college savings and investment program. T. Rowe Price was selected as program manager. The Trust offers three separately marketed 529 college savings plans: The UA College Savings Plan, marketed directly to investors within the State of Alaska; the T. Rowe Price College Savings Plan nationally marketed directly to investors; and John Hancock Freedom 529 nationally marketed through authorized financial advisors. Each of these plans is open to eligible individuals regardless of state of residence. Each of these plans has different investment options. Since the Trust was established in May 2001, assets under management in the program have grown from $25 million to approximately $4.3 billion at January 13, 2012, with over 21,000 Alaskans having established accounts in the plan.

UNIVERSITY OF ALASKA SCHOLARS PROGRAM

The University of Alaska Scholars Program ("Program") is a four-year scholarship given to the top ten percent of graduates from qualified Alaska high schools each year. The Program offers an $11,000 scholarship for use at any University campus. Scholars receive $1,375 per semester for a total of eight semesters. The Program is considered a significant reason for the increase of Alaska college-bound seniors attending the University. As of fall 2011, there were 2,030 UA Scholars enrolled.

ALASKA PERFORMANCE SCHOLARSHIP PROGRAM AND ALASKADVANTAGE EDUCATION GRANT

For academic year 2011-2012, the State of Alaska created the Alaska Performance Scholarship program administered by Alaska Commission on Postsecondary Education. This $6 million program is a merit-based scholarship that provides an opportunity for any future Alaska high school graduate who meets a core set of requirements to receive funding to pursue college and/or career training in Alaska. There are three maximum award levels, $4,755 a year, $3,566 a year, and $2,378 a year. The scholarship provides additional incentives for Alaska high school graduates to pursue higher education within the University.

The AlaskAdvantage Education grant is also new for academic year 2011-2012. This $3 million program provides need-based financial assistance to eligible Alaska students attending qualifying postsecondary educational institutions in Alaska. A portion of funds is set aside for applicants with exceptional academic preparation and for those enrolled in workforce shortage programs. Grant awards range from a minimum of $500 to a maximum of $3,000 per academic year for students who have qualifying unmet financial need.

FACILITIES AND CAPITAL PROGRAM

LIBRARIES AND MUSEUM

The University's library collection contains more than 2.3 million book volumes with extensive collections housed at Fairbanks, Anchorage and other sites. The University's system wide general library collection of books, periodicals and documents is approximately 1.5 million titles.

The expanded University of Alaska Museum of the North located on the Fairbanks campus opened in Fall 2005, and has brought national and international media attention to Alaska. The $42 million museum expansion project doubled the size of the existing museum to approximately 90,000 gross square feet.

renewal backlog. The capital plan for fiscal year 2012 through 2021 supports the University's strategic plan and the campus academic and research plans.

The University continues to monitor its deferred and imminent renewal needs and makes it a top priority budget request to the legislature. For fiscal year 2012, in excess of $900 million has been identified as deferred or imminent renewal needs for the University's approximately 6.6 million square feet of physical plant that has an adjusted gross value of approximately $1.9 billion.

The Board of Regents submitted a fiscal year 2013 capital budget request to the Governor totaling $202.2 million, consisting of $187.5 million for renewal, renovation and deferred maintenance and $14.7 million for special projects. The Governor's capital budget includes only $37.5 million for deferred maintenance.

RETIREMENT PLANS

Substantially all regular employees participate in either the State of Alaska Public Employees' Retirement System ("PERS") or the State of Alaska Teachers' Retirement System ("TRS"), each of which is a multiple-

Table 11
UNIVERSITY OF ALASKA
Summary of State Appropriations[1]
For Fiscal Years Ending June 30
($'s in 000's)

	2008	2009	2010	2011[3]	2012	2013[4]
Operating:						
General Operating Bill[1]	$289,236	$307,303	$323,202	$335,296	$346,073	$352,787
Separate/Special Legislation[2]	10,791	13,467	11,624	11,348	12,307	12,712
Total						

At June 30, 2011, the University had operating investments totaling $123.8 million, primarily consisting of cash on hand, savings, money market funds, overnight repurchase agreements and investments in fixed income bonds. The University's fixed income bonds include corporate bonds, U.S. Treasury bonds, and Federal agency bonds which are held in the name of the University. Cash, savings, certificates of deposit and money market investments represent 36.7% of total operating investment portfolio. Fixed income bonds with thirty to ninety days maturity comprised 39.1% of the portfolio and the remaining 24.2% are fixed income bonds with three to five years maturity. The money market mutual funds are all rated AAA. As of June 30, 2011 and 2010, the University's operating funds were as follows ($'s in 000's):

Investment Type	2011	2010
Cash and Deposits	$ 11,093	$ 4,290

Gifts – All cash gifts are assessed 1% of the gift value at the time of the gift. Noncash gifts are assessed 1% at the time of conversion to cash by the Foundation, based on the proceeds received.

Endowments – 1% is assessed by the Foundation annually based on the asset valuation at the end of the previous calendar year.

Land Grant Trust Fund Assets – .50% is assessed by the Foundation annually based on the asset valuation of the University's land grant trust fund assets invested by the Foundation as of the end of the previous calendar year.

A portion of the administrative fees assessed by the Foundation are allocated to the campuses to support development efforts to increase private support. Foundation assets are not pledged to the Bonds.

Table 12
UNIVERSITY OF ALASKA FOUNDATION
Summary Finanical Information
For Fiscal Years Ending June 30
($'s in 000's)

	2007	2008	2009	2010	2011
Revenues, gains and other support					
Donations and Bequests	$ 20,034	$ 29,131	$ 29,810	$ 15,942	$ 15,802
Investment income	3,747	3,383	2,118	1,955	2,40
Net realized and unrealized gains and losses	17,183	(6,202)	(31,614)	7,174	17,38
Other (includes transfers from the University)	1,065	1,056	1,686	1,483	1,60
Actuarial adjustment of remainder trust obligations	(9)	(13)	(36)	(99)	298
Total	$ 42,020	$ 27,355	$ 1,964	$ 26,455	$ 37,486
Distributions to the Universi	$ 15,511	$ 15,429	$ 17,700	$ 13,290	$ 13,729
Net Assets:					
Unrestricted	$ 43,757	$ 41,379	$ 31,233	$ 33,832	$ 23,424
Temporarily restricted	71,759	81,280	67,349	62,732	79,5
Permanently restricted	50,445	53,245	59,695	72,310	87,0
Total Net Assets	$ 165,961	$ 175,904	$ 158,277	$ 168,874	$ 189,999

Source: University of Alaska Foundation Audited Financial Statements.

Overall, total donations and bequests received by the Foundation were $15.8 million in fiscal year 2011, compared to $15.9 million in fiscal year 2010. There was an 8% increase in the number of donors from the previous year. The number of donors supporting the University has increased by 52% since fiscal year 2006.

The estimated fair value of the Foundation's investments with quarterly or less frequent redemption periods as of June 30, 2011, totaled $27.1 million. These investments were all held within the Consolidated

Endowment Fundand represent 21% of the Foundation's balance in the fund. The limitations and restrictions on the Foundation's or the Consolidated Endowment Fund's ability to redeem or sell these investments vary D41ary D41ary onsyo eq-4(s-4(1)13()-11(e60.4 -48 o3.49C)4(1)13(ce p3.4e)-11(1)13(o48 6

by UAF on behalf of the entire ocean sciences community. The estimated completion date for the ARRV is spring of 2014.

As of August 1, 2011, the University received $97.0 million in awards from the American Recovery and Reinvestment Act (ARRA) of February 2009 (also known as "stimulus" funding), which covers 69 projects. The University expended $40.6 million and $8.8 million of the ARRA awards during fiscal years 2011 and 2010, respectively. The largest award was for the Alaska Region Research Vessel described above. $27 million was spent on this project during fiscal year 2011. The remaining awards are mainly for research activities the University conducts in the normal course of its mission and for periods of one to five years. Table 14 summarizes annual expenditures of federal grants and contracts by major federal agencies.

Federal Agency	2007	2008	2009	2010	2011
National Science Foundation	$ 25,579	$ 31,114	$ 31,941	$ 38,517	$ 63,330

	2011	2010	2009	2008
Operating revenues				
Student tuition and fees	$ 130,542	119,846 $	107,424 $	99,921
less scholarship allowances	(14,438)	(13,506)	(9,213)	(7,838
	116,104	106,340	98,211	92,083
Federal grants and contracts	147,869	138,591	127,287	129,64
State and local grants and contracts	20,140	24,519	24,098	22,074
Private grants and contracts	47,276	45,728	46,902	45,985
Sales and services, educational departments	4,215	4,073	3,850	3,345
Sales and services, auxiliary enterprises, net of scholarship allowances of $2,005, $2,018, $1,483, $1,264	39,265	39,225	39,990	39,192
Other	22,696	14,457	15,687	14,457
Total operating revenues	397,565	372,933	356,025	346,77
Operating expenses				
Instruction	210,653	207,864	196,304	183,19
Academic support	61,453	58,454	54,642	52,174
Research	140,453	135,045	126,949	121,84
Public service	37,547	40,861	37,820	36,063
Student services	52,174	50,814	48,170	45,437
Operations and maintenance	62,772	59,821	61,186	54,983
Institutional support	86,950	87,859	90,184	82,611
Student aid	27,280	20,965	17,937	14,879
Auxiliary enterprises	37,947	40,401	39,724	39,410
Depreciation	57,170	58,228	55,649	56,883

Assets	2011	2010	2009	2008
Current assets:				
Cash and cash equivalents	$ 27,719	99,390	$ 81,728	$ 8,642
Short-term investments	57,973	6,129	26,184	26,46
Accounts receivable, less allowance of $3,863, $7,614 $6,573 and $5,239	73,739	70,369	64,523	69,08
Other assets	678	691	659	774
Inventories	6,875	7,963	7,220	8,11
Total current assets	166,984	184,542	180,314	113,07
Noncurrent assets:				
Restricted cash and cash equivalents	3,289	1,531	5,091	19,69
Notes receivable	3,219	4,189	4,433	4,58
Endowment investments	127,380	116,373	111,011	145,21
Land Grant Trust property and other assets	45,254	44,532	44,674	45,00
Long-term investments	47,582	7,652	7,875	83,92
Education Trust of Alaska	11,857	9,339	7,986	8,56
Capital assets, net of accumulated depreciation of $807,411, $760,343, $715,776 and $681,520	952,898	863,314	833,989	792,16
Total noncurrent assets	1,191,479	1,046,930	1,015,059	1,099,14
Total assets	1,358,463	1,231,472	1,195,373	1,212,21
Liabilities				
Current liabilities:				
Accounts payable and accrued expenses	34,003	24,904	19,221	18,79
Accrued payroll	29,430	28,346	24,966	21,29
Unearned revenue and deposits	17,822	18,886	17,086	15,03
Accrued annual leave	11,876	11,752	11,320	10,45
Unearned lease revenue - current portion	1,281	1,281	1,281	1,28
Long-term debt - current portion	6,958	6,763	6,473	9,65
Insurance and risk management	13,842	22,763	20,134	19,28
Total current liabilities	115,212	114,695	100,481	95,80
Noncurrent liabilities:				
Unearned revenue - capital	5,678	2,875	10,519	5,78
Unearned lease revenue	2,242	3,523	4,804	6,08
Long-term debt	107,579	114,537	121,540	127,01
Net pension and OPEB obligations				

enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult

RATINGS

Prior to the sale of the Bonds, Moody's Investors Service Inc. and Standard and Poor's Rating Services, a Division of The McGraw-Hill Companies, Inc. have assigned ratings of "" and "", respectively, to the Bonds, based on their research and investigation of the University. Each rating agency has also assigned a "stable outlook" to the University. Such ratings and outlook reflect only the respective views of the rating organizations and any desired explanation of the significance of the ratings may be obtained from each rating agency.

There is no assurance that such ratings will be maintained for any given period of time or that one or both ratings may not be changed, suspended or withdrawn entirely by the rating agencies if, in the judgment of such rating agencies, circumstances so warrant. Ratings may be changed, suspended or withdrawn as a result of changes in, or unavailability of, information. Any such change in or suspension of or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Grant Thornton LLP, a firm of independent public accountants, will deliver to the University, on or before the delivery date of the Bonds, its verification report indicating that it has verified, in accordance with attestation standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Treasury Securities, to pay, when due, the maturing principal of, interest on and related redemption requirements of the Refunded Bonds and (b) the mathematical computations of yield used by Bond Counsel to support its opinion that interest on the Bonds will be excluded from gross income for federal income tax purposes.

The verification performed by Grant Thornton LLP will be solely based upon data, information and documents provided to Grant Thornton LLP by the University and its repn

CONTINUING DISCLOSURE

Pursuant to Securities and Exchange Commission Rule 15c2-12 under the Securities and Exchange Act of 1934, as the same may be amended from time to time (the "Rule"), the University will execute and deliver a Continuing Disclosure Certificate substantially in the form attached hereto as Appendix D for the benefit of the beneficial owners of the Bonds. The University is in compliance with its prior written undertakings under the Rule.

MISCELLANEOUS

The foregoing summaries, descriptions and references do not purport to be comprehensive or definitive, and such summaries, descriptions and references are qualified in their entieralehe-2(e q)2(u)-3()11(e)-2(r)

APPENDIX A

UNIVERSITY OF ALASKA
AUDITED FINANCIAL STATEMENTS
FISCAL YEAR ENDED
JUNE 30, 2011

UNIVERSITY OF ALASKA

(A Component Unit of the State of Alaska)

Financial Statements

June 30, 2011 and 2010

University of Alaska
(A Component Unit of the State of Alaska)
Financial Statements
June 30, 2011 and 2010

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Total debt outstanding decreased from $121.3 million at June 30, 2010 to $114.5 million at June

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

A summarized comparison of the university's revenues, expenses and changes in net assets for the years ended June 30, 2011, 2010 and 2009 follows ($ in thousands):

	2011	2010	2009
Operating revenues	$ 397,565	$ 372,933	$ 356,025
Operating expenses	(796,238)	(778,287)	(759,067)
Operating loss	(398,673)	(405,354)	(403,042)
Net nonoperating revenues	413,653	381,082	321,480
Gain (Loss) before other revenues, expenses, gains, or losses	14,980	(24,272)	(81,562)
Other revenues, expenses, gains or losses	117,779	61,951	94,942
Increase in net assets	132,759	37,679	13,380
Net assets at beginning of year	989,862	952,183	938,803
Net assets at end of year	$ 1,122,621	$ 989,862	$ 952,183

A comparison of operating and nonoperating revenues by source for 2011, 2010 and 2009 follows:

Operating grant and contract revenue from federal, state, local and private sponsors totaled $215.3 million for 2011, as compared to $208.8 million in the prior year. The growth is primarily

A comparison of operating expenses by functional and natural classification for selected fiscal years follows (see Note 16 of the financial statements for more information):

	Operating Expenses Functional Classification (in millions)					
	FY2011		FY2010		FY2009	
Instruction	$ 210.7	26.5%	$ 207.9	26.7%	$ 196.7	25.9%
Student Services	52.2	6.6%	50.8	6.5%	48.3	6.4%

Salaries and employee benefits increased 1.8 percent, or $8.8 million, in 2011, which represents less of an increase than experienced in recent prior years. The relatively modest growth can be attributed to a combination of savings from vacancies and management efforts to minimize overall headcount growth.

Operating Expenses
Natural Classification (in millions)

	FY2011		FY2010		FY2009	
Salaries and Employee Benefits	$ 485.6	61.0%	$ 476.8	61.2%	$ 453.7	59.7%
Contractual Services	141.2	17.7%	138.2	17.8%	132.5	17.5%
Supplies and Materials	60.4	7.6%	61.0	7.8%	65.1	8.6%
Other	24.6	3.1%	23.1	3.0%	34.3	4.5%
Student Aid	27.2	3.4%	21.0	2.7%	17.9	2.4%
Depreciation	57.2	7.2%	58.2	7.5%	55.6	7.3%
	$ 796.2	100.0%	$ 778.3	100.0%	$ 759.1	100.0%

A portion of university resources applied to student accounts for tuition, fees, or room and board are not reported as student aid expense, but are reported in the financial statements as a scholarship allowance, directly offsetting student tuition and fee revenue or auxiliary revenue. Allowances totaled $16.4 million in 2011 and $15.5 million in 2010. In addition to the allowances, students participate in governmental financial aid loan programs. The loans are neither recorded as revenue or expense in the financial statements, but are recorded in the

Statements of Cash Flows as direct lending receipts totaling $80.4 million and $69.4 million in 2011 and 2010, respectively.

Endowment proceeds and investment income totaled $22.8 million in 2011 as compared to $13.0 million in 2010, primarily as a result of improved market returns. Total return in 2011 was 18 percent as compared to 9.5 percent in the prior year. This category also includes yield from, or sales of, trust land, and mineral interests, the net proceeds of which are generally deposited to the land grant endowment trust fund.

Fiscal Year 2010 Comparisons (Statement of Revenues, Expenses and Changes in Net Assets)

Significant comments about changes between 2009 and 2010 that were noted in fiscal year 2010 Management's Discussion and Analysis are summarized below:

The Statement of Revenues, Expenses and Changes in Net Assets reflected an overall increase in net assets of four percent, or $37.7 million. The major changes in revenue and expense are described below.

Gross student tuition and fee revenue totaled $119.8 million in 2010 as compared to $107.4 million in 2009. This was due in large part to a five percent increase in tuition rates for students for academic year 2009-2010. Student headcount increased 4.3 percent to 33,710 students from Fall 2008 to Fall 2009.

Salary and employee benefit costs increased five percent, or $23.1 million, in 2010. Employee benefits, such as pension plan contributions and health care costs, increased 1.9 percent and comprised $2.5 million of the change. Salaries and wages increased 6.5 percent, or $20.6 million.

Investment returns from all non-endowment sources totaled $3.8 million in 2010 compared to an $8.1 million loss in 2009, as a result of the global financial crisis.

Endowment investments experienced a $9.7 million gain in 2010 as compared to a $34.4 million loss in 2009. The significant losses in 2009 were the result of the global financial crisis.

Endowment gifts, sales, and other proceeds totaled $3.2 million in fiscal year 2010 as compared

house the International Arctic Research Center, the acquisition and renovation of several properties adjacent to or near the university's campuses, additions to the university's self-operated power, heat, water and telephone utility systems in Fairbanks, purchase of the University Center Building in Anchorage, and to refund previously issued general revenue bonds and other contractual obligations in order to realize debt service savings.

The university has an Aa2 Stable credit rating from Moody's Investors Service and AA- Stable rating from Standard and Poor's. These ratings were affirmed in September 2011.

The university has traditionally utilized tax exempt financings to provide for its capital needs or to facilitate systematic renewals. Working capital is available to provide interim cash flow financing for facilities intended to be funded with general revenue bond proceeds or other debt arrangements.

Capital Activities – Looking Ahead

State of Alaska capital appropriations for fiscal year 2012 total $79.5 million. The appropriations include $37.5 million designated for deferred maintenance needs across the university system. This funding is the second installment of a five year deferred maintenance program instituted by the Governor. Also included are $34 million for a 5,600 seat sports arena at the Anchorage campus, which represents the remaining funds needed for this approximately $109 million project.

On October 5, 2011 the university sold competitively general revenue bonds with a par amount of $48.9 million. The bonds fund a portion of the Fairbanks campus Life Sciences Facility, numerous deferred maintenance projects and a debt service project on the Juneau campus. Bond closing is scheduled for October 25, 2011.

Other Economic and Financial Conditions

The following is a description of currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position (net assets) or results of operations (revenues,

KPMG LLP
Suite 600
701 West Eighth Avenue
Anchorage, AK 99501

Independent Auditors' Report

The Board of Regents
University of Alaska:

We have audited the accompanying basic financial statements of the University of Alaska and its discretely presented component unit (University), a component unit of the State of Alaska, as of and for the years ended June 30, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the University of Alaska and its discretely presented component unit as of June 30, 2011 and 2010, and the respective changes in its financial position and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we So6Tc 0.0ø3C5by

KPMG LLP, is a Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

The Management's Discussion and Analysis, on pages 1 through 10 is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

October 19, 2011

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Net Assets
June 30, 2011 and 2010
(in thousands)

Assets	2011	2010
Current assets:		
Cash and cash equivalents	$ 27,719	$ 99,390
Short-term investments	57,973	6,129
Accounts receivable, less allowance of $3,863 in 2011 and $7,614 in 2010	73,739	70,369
Inventories	6,875	7,963
Other assets	678	691
Total current assets	166,984	184,542
Noncurrent assets:		
Restricted cash and cash equivalents	3,289	1,531
Notes receivable	3,219	4,189
Endowment investments	127,380	116,373
Land Grant Trust property and other assets	45,254	44,532
Long-term investments	47,582	7,652
Education Trust of Alaska investments	11,857	9,339
Capital assets, net of accumulated depreciation of $807,411 in 2011 and $760,343 in 2010	952,898	863,314
Total noncurrent assets	1,191,479	1,046,930
Total assets	1,358,463	1,231,472
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	34,003	24,904
Accrued payroll	29,430	28,346
Unearned revenue and deposits	17,822	18,886
Accrued annual leave	11,876	11,752
Unearned lease revenue - current portion	1,281	1,281
Long-term debt - current portion	6,958	6,763
Insurance and risk management	13,842	22,763
Total current liabilities	115,212	114,695
Noncurrent liabilities:		
Unearned revenue - capital	5,678	2,875
Unearned lease revenue	2,242	3,523
Long-term debt	107,579	114,537
Security deposits and other liabilities	5,131	5,980
Total noncurrent liabilities	120,630	126,915
Total liabilities	235,842	241,610
Net Assets		
Invested in capital assets, net of related debt	835,564	738,206
Restricted:		
Expendable	30,825	16,614
Nonexpendable	129,317	128,341
Unrestricted (see Note 7)	126,915	106,701
Total net assets	$ 1,122,621	$ 989,862

The accompanying notes are an integral part of the financial statements.

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UNIVERSITY OF ALASKA FOUNDATION
(A Component Unit of the University of Alaska)
Statements of Financial Position
June 30, 2011 and 2010
(in thousands)

Assets	2011	2010
Cash and cash equivalents	$ 21,608	$ 38,116
Interest receivable	137	78
Contributions receivable	14,166	14,251
Escrows receivable	296	134
Inventory	57	58
Other assets	486	507
Pooled endowment funds	131,853	102,012
Other long-term investments	24,459	16,869
Total assets	$ 193,062	$ 172,025
Liabilities		
Due to the University of Alaska	$ 1,775	$ 1,718
Other liabilities	5	22
Remainder trust obligations	283	411
Term endowment liability	1,000	1,000
Total liabilities	3,063	3,151
Net Assets		
Unrestricted	23,424	33,832
Temporarily restricted	79,551	62,732
Permanently restricted	87,024	72,310
Total net assets	189,999	168,874
Total liabilities and net assets	$ 193,062	$ 172,025

The accompanying notes are an integral part of the financial statements.

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UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Revenues, Expenses and Changes in Net Assets
For the Years Ended June 30, 2011 and 2010
(in thousands)

	2011	2010
Operating revenues		
Student tuition and fees	$ 130,542	$ 119,846
less scholarship allowances	(14,438)	(13,506)
	116,104	106,340
Federal grants and contracts	147,869	138,591
State and local grants and contracts	20,140	24,519
Private grants and contracts	47,276	45,728
Sales and services, educational departments	4,215	4,073
Sales and services, auxiliary enterprises, net of scholarship allowances of $2,005 in 2011 and $2,018 in 2010	39,265	39,225
Other	22,696	14,457
Total operating revenues	397,565	372,933
Operating expenses		
Instruction	210,653	207,864
Academic support	61,453	58,454
Research	140,453	135,045
Public service	37,547	40,861
Student services	52,174	50,814
Operations and maintenance	62,772	59,821
Institutional support	86,950	87,859
Student aid	27,280	20,965
Auxiliary enterprises	37,947	40,401
Depreciation	57,170	58,228
State on-behalf payments - pension	21,839	17,975
Total operating expenses	796,238	778,287
Operating loss	(398,673)	(405,354)
Nonoperating revenues (expenses)		
State appropriations	346,644	334,826
State on-behalf contributions - pension	21,839	17,975
Investment earnings	3,971	3,810
Endowment proceeds and investment income	22,777	12,953
Interest on debt	(4,400)	(4,852)
Federal student financial aid	24,692	18,275
Other nonoperating expenses	(1,870)	(1,905)
Net nonoperating revenues	413,653	381,082
Income (Loss) before other revenues	14,980	(24,272)
Capital appropriations, grants and contracts	117,779	61,951
Increase in net assets	132,759	37,679
Net assets		
Net assets - beginning of year	989,862	952,183
Net assets - end of year	$ 1,122,621	$ 989,862

The accompanying notes are an integral part of the financial statements.

UNIVERSITY OF ALASKA FOUNDATION
(A Component Unit of the University of Alaska)
Statements of Activities
For the years ended June 30, 2011 and 2010
(in thousands)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2011
Revenues, gains (losses) and other support				
Contributions	$ 458	$ 10,320	$ 5,024	$ 15,802
Investment income	645	1,758	-	2,403
Net realized and unrealized investment gains	2,277	15,105	-	17,382
Other revenues	-	159	-	159
Actuarial adjustment of remainder trust obligations	-	49	249	298
Losses on disposition of other assets	(1)	(43)	-	(44)
Administrative assessments	1,718	(1,060)	(62)	596
Support from University of Alaska	890	-	-	890
Net assets released from restriction	11,532	(11,532)	-	-
Total revenues, gains (losses) and other support	17,519	14,756	5,211	37,486
Expenses and distributions				
Operating expenses	2,632	-	-	2,632
Distributions for the benefit of the University of Alaska	13,729	-	-	13,729
Total expenses and distributions	16,361	-	-	16,361
Excess of revenues over expenses	1,158	14,756	5,211	21,125
Transfers between net asset classes	(11,566)	2,063	9,503	-
Increase (decrease) in net assets	(10,408)	16,819	14,714	21,125
Net assets, beginning of year	33,832	62,732	72,310	168,874
Net assets, end of year	$ 23,424	$ 79,551	$ 87,024	$ 189,999

Unrestricted	Temporarily Restricted	Permanently Restricted	2010
$ 256	$ 12,961	$ 2,725	$ 15,942
719	1,236	-	1,955
4,159	3,015	-	7,174
-	169	-	169
-	(28)	(71)	(99)
(3)	(115)	-	(118)
1,473	(888)	(43)	542
890	-	-	890
10,963	(10,963)	-	-
18,457	5,387	2,611	26,455
2,568	-	-	2,568
13,290	-	-	13,290
15,858	-	-	15,858
2,599	5,387	2,611	10,597
-	(10,004)	10,004	-
2,599	(4,617)	12,615	10,597
31,233	67,349	59,695	158,277
$ 33,832	$ 62,732	$ 72,310	$ 168,874

The accompanying notes are an integral part of the financial statements.

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Cash Flows
For the Years Ended June 30, 2011 and 2010
(in thousands)

	2011	2010
Cash flows from operating activities		
Student tuition and fees, net	$ 115,931	$ 105,326
Grants and contracts	217,774	210,862
Sales and services, educational departments	4,216	4,073
Sales and services, auxiliary enterprises	39,471	39,435
Other operating receipts	12,551	13,176
Payments to employees for salaries and benefits	(487,980)	(471,657)
Payments to suppliers	(195,106)	(204,028)
Payments to students for financial aid	(27,334)	(20,993)
Net cash used by operating activities	(320,477)	(323,806)
Cash flows from noncapital financing activities		
State appropriations	346,898	334,672
Other revenue	23,453	17,303
Direct lending receipts	80,378	69,391
Direct lending payments	(80,359)	(69,893)
Net cash provided by noncapital financing activities	370,370	351,473
Cash flows from capital and related financing activities		
Capital appropriations, grants and contracts	114,719	49,392
Proceeds from issuance of capital debt	-	14,045
Redemption of general revenue bonds	-	(14,535)
Purchases of capital assets	(143,199)	(82,471)
Principal paid on capital debt	(6,763)	(6,473)
Interest paid on capital debt	(4,572)	(4,192)
Net cash used by capital and related financing activities	(39,815)	(44,234)
Cash flows from investing activities		
Proceeds from sales and maturities of investments	51,740	267,202
Purchases of investments	(136,020)	(243,059)
Interest received on investments	2,605	1,843
Interest and other sales receipts from endowment assets	1,684	4,683
Net cash provided (used) by investing activities	(79,991)	30,669
Net increase (decrease) in cash and cash equivalents	(69,913)	14,102
Cash and cash equivalents, beginning of the year	100,921	86,819
Cash and cash equivalents, end of the year	$ 31,008	$ 100,921
Cash and cash equivalents (current)	$ 27,719	$ 99,390
Restricted cash and cash equivalents (noncurrent)	3,289	1,531
Total cash and cash equivalents	$ 31,008	$ 100,921

The accompanying notes are an integral part of the financial statements.

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Cash Flows
For the Years Ended June 30, 2011 and 2010
(in thousands)

Reconciliation of operating loss to net cash used by operating activities:	2011	2010
Operating loss	$ (398,673)	$ (405,354)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	57,170	58,228
State on-behalf payments - pension	21,839	17,975
Changes in assets and liabilities:		
Accounts receivable, net	4,549	(398)
Other assets	137	(32)
Inventories	1,088	(743)
Accounts payable and accrued expenses	3,527	(233)
Accrued payroll	1,084	3,380
Unearned revenue, deposits from students and others	(1,122)	1,591
Accrued annual leave	125	432
Unearned lease revenue - current portion	(1,281)	(1,281)
Insurance and risk management	(8,920)	2,629
Net cash used by operating activities	$ (320,477)	$ (323,806)

Noncash Investing, Capital and Financing Activities:

For the Year Ended June 30, 2011

Additions to capital assets include $9.8 million expended and capitalized but not paid for at year end.

Book value of capital asset disposals totaled $1.5 million.

The university received $1.0 million in donated land and equipment.

The university received on-behalf pension payments from the State of Alaska totaling $21.8 million.

For the Year Ended June 30, 2010

Additions to capital assets include $7.1 million expended and capitalized but not paid for at year end.

The university financed the purchase of equipment totaling $0.2 million.

Book value of capital asset disposals totaled $0.5 million.

The university received on-behalf pension payments from the State of Alaska totaling $18.0 million.

The accompanying notes are an integral part of the financial statements.

1. Organization and Summary of Significant Accounting Policies:

Organization and Basis of Presentation:

The University of Alaska (university) is a constitutionally created corporation of the State of Alaska which is authorized to hold title to real and personal property and to issue debt in its own name. The university is a component unit of the State of Alaska for purposes of financial reporting. As an instrumentality of the State of Alaska, the university is exempt from federal income tax under Internal Revenue Code Section 115, except for unrelated business activities as covered under Internal Revenue Code Sections 511 to 514.

The University of Alaska Foundation (foundation) is a legally separate, non profit component unit of the university. The foundation was established to solicit donations and to hold and manage such assets for the exclusive benefit of the university. Resources managed by the foundation and distributions made to the university are governed by the foundation's Board of Trustees. Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, require the university to include the foundation as part of its financial statements to better report resources benefiting the university. The university is not accountable for, nor has ownership of, the foundation's resources. The foundation's financial statements include the Statement of Financial Position and the Statement of Activities and these statements are presented in their original audited format according to Financial Accounting Standards Board (FASB) pronouncements.

In preparing the financial statements, management is required to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the statement of net assets. Actual results could differ from those estimates. The more significant accounting and reporting policies and estimates applied in the preparation of the accompanying financial statements are discussed below.

GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities and requires that resources be classified for accounting and reporting purposes into the following net asset categories:

- **Unrestricted Net Assets:** Assets, net of related liabilities, which are not subject to externally-imposed restrictions. Unrestricted net assets may be designated for specific purposes by the Board of Regents or may otherwise be limited by contractual agreements with outside parties.

- **Restricted Net Assets:**

  Expendable – Assets, net of related liabilities, which are subject to externally-imposed lleg5 Tc eT0 0 0tJ01.268reblsc Tw7uTinrest

Capital Assets

Capital assets are stated at cost when purchased and at fair value when donated. Equipment with a unit value of $5,000 or greater is capitalized. Buildings and infrastructure with a unit value of $100,000 or greater are capitalized. Other capitalizable assets with a unit value of $50,000 or greater are capitalized. Certain land and other resources acquired through land grants and donated museum collections for which fair value at date of acquisition was not determinable are reported at zero basis in the financial statements.

Depreciation is computed on a straight-line basis with useful lives of building and building components ranging from 12 to 50 years, 10 to 35 years for infrastructure and other improvements, and 5 to 11 years for equipment. Library and museum collections are not depreciated because they are preserved and cared for and have an extraordinarily long useful life.

Endowments

Endowments consist primarily of the land grant endowment trust fund established pursuant to the 1929 federal land grant legislation and its related inflation proofing fund. Alaska Statute 14.40.400 provides that the net income from the sale or use of grant lands must be held in trust in perpetuity. The land grant endowment trust fund balance at the end of 2011 and 2010 was $115.1 million and $100.0 million, respectively. The accumulated net earnings were $16.5 million and $3.0 million at June 30, 2011 and 2010, respectively. The inflation proofing fund, a quasi-endowment fund included in unrestricted net assets, totaled $19.8 million and $20.0 million at the end of 2011 and 2010, respectively.

Alaska Statute 14.40.400 provides the Board of Regents with authority to manage the funds under the total return principles which intends to preserve and maintain the purchasing power of the endowment principal. The investable resources of the funds are invested in the consolidated endowment fund, a unitized investment fund. The annual spending allowance is currently based on four and one-half percent of a five-year moving average of the invested balance. Withdrawals of net earnings appreciation to meet the spending allowance are limited to the unexpended accumulated net earnings balance of the preceding December 31.

Operating Activities

The university's policy for defining operating activities as reported on the statement of revenues, expenses and changes in net assets are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues, as defined by GASB Statement No. 35, including state appropriations and investment earnings.

Scholarship Allowances

Student tuition and fee revenues and certain other revenues from students are reported net of scholarship allowances in the statement of revenues, expenses and changes in net assets. Scholarship allowances are the difference between the stated charge for tuition and room and board provided by the university and the amount paid by the student and/or third parties making payments on the students' behalf.

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Deposits and investments at June 30, 2010 were as follows ($ in thousands):

Investment Type	Operating	Capital Funds	Endowment	College Savings Program	Total
Cash and Deposits	$ (735)	$ -	$ 11,757	$ -	$11,022
Certificates of Deposit	5,025	-	-	-	5,025
Repurchase Agreement	22,951	-	-	-	22,951
Multi-Strategy Bond Fund	-	-	5,708	-	5,708
Hedge Funds	851	-	9,582	-	10,433
Money Market Mutual Funds	80,859	5,297	2,168	145	88,469
Equities:					
Domestic	-	-	25,573	3,579	29,152
International	-	-	2,512	-	2,512
Global	-	-	17,855	-	17,855
Emerging Markets	-	-	4,776	-	4,776
Debt-related:					
Federal Agency	-	454	-	-	454
Fixed Income Funds	-	-	17,497	5,615	23,112
Alternative Investments:					
Private Equity - Domestic	-	-	7,104	-	7,104
Private Equity – Int'l	-	-	1,668	-	1,668
Commodities	-	-	775	-	775
Natural Resources	-	-	3,082	-	3,082
Venture Capital	-	-	1,683	-	1,683
Mezzanine	-	-	1,441	-	1,441
Real Estate	-	-	1,435	-	1,435
Other	-	-	1,757	-	1,757
	$ 108,951	$ 5,751	$116,373	$ 9,339	$ 240,414

Operating funds consist of cash on hand, time deposits, an overnight repurchase agreement, money market funds and bonds. Alaska Statutes and Board of Regents' policy provide the university with broad authority to invest funds. Generally, operating funds are invested according to the university's liquidity needs. During fiscal year 2011, the university implemented operating fund investment guidelines, which sets forth the objectives, structure and acceptable investments for the university's operating funds.

In fiscal year 2011, the university restructured its operating funds by investing in high quality bonds, including U.S. treasuries, federal agency bonds and corporate bonds. These investments are held under the name of the university. After the restructure, the bonds comprise the largest portion of operating funds. The majority of the money market mutual funds are invested through the Common*f*und, a not-for-profit provider of pooled multi-manager investment vehicles for colleges and universities. Since fiscal year 2010, the university also used the Certificate of Deposit Account Registry Service (CDARS) to

invest monies into certificates of deposit across many different banking institutions to keep deposits under the Federal Deposit Insurance Corporation insurance limits.

Capital funds include unexpended general revenue bond proceeds and related reserves, advances from state capital appropriations and other reserves designated for capital purposes. General revenue bond reserves totaling $4.7 million are invested with a third party trustee in accordance with terms of a trust indenture, requiring purchase of investment securities that are investment grade.

Endowment funds primarily consist of $125.4 million in investable resources of the university's land grant endowment trust fund and are invested in a consolidated endowment fund managed by the foundation. These resources are combined with the foundation's pooled endowment funds for investment purposes, and managed by the foundation's investment committee and treasurer on a total return basis in accordance with an investment policy approved by the Board of Regents.

College savings program investments include the operating funds of the Education Trust of Alaska, established pursuant to state statute by the Board of Regents to facilitate administration of the state's Internal Revenue Code Section 529 College Savings Program. Program investments are in mutual funds of T. Rowe Price Associates, Inc., the program manager. See Note 4 for further information.

Certain funds held in trust for the benefit of the university are not included in the financial statements as the university has only limited control over their administration. These funds are in the custody of independent fiduciaries and at June 30, 2011 had an estimated fair value of approximately $4.0 million.

At June 30, 2011, the university has approximately $25.2 million in investments that are not readily marketable. These investments are invested in the consolidated endowment fund managed by the foundation. These investment instruments may contain elements of both credit and market risk. Such risks include, but are not limited to, limited liquidity, absence of regulatory oversight, dependency upon key individuals, and nondisclosure of portfolio composition. Because these investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investment existed. Such difference could be material.

Disclosures for deposits and investments are presented according to GASB Statement No. 40, *Deposit and Investment Risk Disclosures* (GASB 40). Accordingly, the following information addresses various risk categories for university deposits and investments and the investment policies for managing that risk.

Credit Risk:

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The operating fund investment guidelines require that at the time of purchase, short term instruments must be rated A1 or better by Standard & Poor's (S & P), and P1 or better by Moody's. Long term instruments must be rated BBB- or better by S & P and Baa3 or better by Moody's. The average credit rating of any separately management account portfolio shall be no lower than A by S & P and A2 by Moody's. The consolidated endowment fund investment policy requires all purchases of debt securities to be of investment grade and marketable at the time of purchase unless otherwise approved by the foundation's investment committee.

At June 30, 2011, investments consisted of securities with credit quality ratings issued by nationally recognized statistical rating organizations as follows ($ in thousands):

Investment Type	Rating	Operating	Capital Funds	Endowment	College Savings Program
Money Market Mutual Fund	Aaa	$ 12,168	$12,351	$ 1,958	$ -
Money Market Mutual Fund	Not Rated	-	-	-	553
Hedge Funds	Not Rated				

failure of the counterparty to a transaction, the university will not be able to recover the value of investment or collateral securities in the possession of an outside party.

At June 30, 2011, the university does not have custodial credit risk. Deposits of the university are covered by Federal Depository Insurance or securities pledged by the university's counterparty to its repurchase agreement held at a third party bank. The collateral is held in the name of the university and at June 30, 2011, provided $2.3 million coverage in excess of deposits.

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The university uses the modified duration measurement to evaluate interest rate risk. Modified duration measures a debt investment's exposure to fair value changes arising from changing interest rates. For example, a modified duration of 2 means that for a rise in interest rates of one percent, the value of the security would decrease two percent. The university does not have a policy regarding interest rate risk. At June 30, 2011, the university had the following debt investments and corresponding modified duration ($ in thousands):

	Fair Value				
Investment Type	Operating	Capital Funds	Endowment	College Savings Program	Modified Duration
Federal Agency	$ 21,306	-	-	-	0.54
Federal Agency	-	$ 435	-	-	0.84
Corporate	$ 52,958	-	-	-	1.23
U.S. Treasuries	$ 4,053	-	-	-	2.89
U.S. Treasuries	-	-	$ 8,859	-	3.97
Fixed Income Fund	-	-	-	$ 6,509	5.08
Fixed Income Fund	-	-	$ 16,402	-	5.17

Hedge funds totaling $8.9 million are exposed to interest rate risk, however, underlying fund data is not available to measure the interest rate risk.

Foreign Currency Risk:

3. Accounts Receivable:

Accounts receivable consisted of the following at June 30, 2011 and 2010 ($ in thousands):

June 30, 2011	Gross	Allowance	Net
Student tuition and fees	$ 15,011	$ (2,592)	$ 12,419
Sponsored programs	46,363	(1,160)	45,203
Auxiliary services and other operating activities	511	(111)	400
Capital appropriations, grants and contracts	15,717	-	15,717
	$ 77,602	$ (3,863)	$ 73,739

June 30, 2010	Gross	Allowance	Net
Student tuition and fees	$ 16,041	$ (6,301)	$ 9,740
Sponsored programs	51,549	(1,203)	50,346
Auxiliary services and other operating activities	414	(110)	304
Capital appropriations, grants and contracts	9,979	-	9,979
	$ 77,983	$ (7,614)	$ 70,369

4. Education Trust of Alaska:

Assets held in trust include operating funds of the Education Trust of Alaska (Trust). The Trust was established pursuant to state statute on April 20, 2001 by the Board of Regents to facilitate administration of the state's Internal Revenue Code (IRC) Section 529 College Savings Program. The program is a nationally marketed college savings program developed in accordance with IRC Section 529 and includes the resources of the university's former Advance College Tuition (ACT) Program. Participant account balances of approximately $4.3 billion and $3.4 billion at June 30, 2011 and 2010, respectively, are not included in the financial statements. Separately audited Trust financial statements are available upon request from the University of Alaska Controller's office.

Assets of the Trust are invested in various mutual funds at the direction of T. Rowe Price Associates, Inc., the program manager. The net assets of the Trust, which include a reserve for University of Alaska (UA) Tuition Value Guarantees, are available for payment of program administrative costs, benefits and other purposes of the Trust. Based on actuarial studies, management estimates reserve requirements for the UA Tuition Value Guarantees to be approximately $4.5 million and $5.3 million at June 30, 2011 and 2010, respectively.

5. Land Grant Trust Property and Other Assets:

Land Grant Trust property and other assets consist of real property and timber and other rights. By Acts of Congress in 1915 and 1929, approximately 110,000 acres of land was granted to the territory of Alaska to be held in trust for the benefit of the university. The lands were managed by the territory, and later the State of Alaska. In accordance with a 1982 agreement, the lands were subsequently transferred to the Board of Regents, as trustee. In 1982 and 1988 certain state lands including timber and other rights were transferred to the trust as replacement for lands disposed of or adversely affected during the period of administration by the territory and the state. These lands and property interests were recorded at their fair value as of the date of transfer. The net proceeds from land sales and other rights are deposited in the

land grant endowment trust fund as described in the Endowment section in Note 1 above. At June 30, 2011 and 2010, approximately 82,411 and 82,423 acres, respectively, were held in trust at zero basis because fair value at the time of transfer was not determinable.

6. Capital Assets:

A summary of capital assets follows ($ in thousands):

	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011
Capital assets not depreciated:				
Land	$ 28,490	$ 9,491	$ -	$ 37,981
Construction in progress	59,176	133,337	45,519	146,994
Library and museum collections	57,964	1,182	-	59,146
Other capital assets:				-
Buildings				

7. Unrestricted Net Assets:

At June 30, unrestricted net assets included the following ($ in thousands):

	2011	2010
Designated:		
Auxiliaries	$ 11,472	$ 6,505
Working capital fund	4,827	4,826
Working capital advances	(252)	

Long-term debt consisted of the following at June 30, 2011 and 2010 ($ in thousands):

	2011	2010
Revenue bonds payable 1.40% to 5.00% general revenue bonds due serially to 2036, secured by a pledge of unrestricted current fund revenue generated from tuition, fees, recovery of facilities and administrative costs, sales and services of educational departments, miscellaneous receipts and auxiliaries.	$ 95,445	$ 100,490
Notes payable - campus construction 1.826% assisted note to the Alaska Housing Finance Corporation (AHFC) to finance construction of Anchorage campus housing, due semiannually through February 2024.	17,290	18,458
Equipment financings 4.06% to 4.77% note for the purchase of equipment and vehicles due in quarterly installments through June 2017.	1,802	2,352
	$ 114,537	$ 121,300

In fiscal year 2011, the state reimbursed the university $1,409,822 for debt service on Series K general revenue bonds. Subject to annual appropriation, the state will reimburse the university for principal and interest on $16,375,000 of the remaining bond principal. Annual debt service on this portion of the bonds is approximately $1.4 million.

Under the terms of the 1992 General Revenue Bonds Trust Indenture, the university is required to maintain a reserve account with a trustee at an amount equal to one-half of the maximum annual general revenue bond debt service. The balance in the reserve account at June 30, 2011 and 2010 was $4.7 million.

10. Long-term Liabilities:

Long-term liability activity was as follows ($ in thousands):

	Balance June 30, 2010	Additions	Reductions	Balance June 30, 2011	Balance due within one year
Unearned revenue - capital	$ 2,875	$ 4,284	$ 1,481	$ 5,678	$ -
Unearned lease revenue	4,804	-	1,281	3,523	1,281
Long-term debt	121,300	- U	6,763	114,537	

rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate the assets to pay benefits when due. The 2011 actuarially determined rate was 27.96 percent of applicable gross pay. However, the employer contribution rate for the university was capped by the state at 22 percent for fiscal year 2011.

The state appropriated funding directly to the PERS-DB plan as a relief payment to employers' contributions for fiscal year 2011. The university recognized $10,456,189, $7,126,913, and $16,724,174 for fiscal 2011, 2010 and 2009 respectively, in state on-behalf pension payments for the PERS-DB plan. The amounts contributed to PERS-DB by the university during the years ended June 30, 2011, 2010 and 2009 were $26,390,066, $27,074,153, and $27,269,589, respectively, equal to the required employer contributions for each year.

PERS Defined Benefit Pension Plan Changes

fiscal year 2011, 2010 and 2009, the university recognized $11,382,779, $10,848,081, and $13,778,074, respectively, in state on-behalf pension payments for the TRS-DB plan.

Defined Contribution Plans:

State of Alaska Public Employees' Retirement System - Defined Contribution (PERS-DC)

Plan Description

PERS-DC is a defined contribution, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska to provide pension and postemployment healthcare benefits for eligible employees. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. PERS-DC was created by the state effective July 1, 2006. Plan savings are accumulated in individual retirement accounts for the exclusive benefit of each member or beneficiary.

Funding Policy and Annual Pension Cost

The employee contribution rate is eight percent and the employer effective contribution rate is 22 percent of covered payroll for fiscal years 2011 and 2010. For the years ended June 30, 2011 and 2010, the university's total covered payroll for the PERS-DC plan was approximately $7.0 million and $6.1 million, and contributions made by the university totaled $1,548,744 and $1,346,145, respectively.

On July 1, 2006, three pension trust sub-funds were created within PERS, the Retiree Major Medical

by state law and may be amended only by the state legislature. TRS-DC was created by the state effective July 1, 2006. Plan savings are accumulated in an individual retirement account for the exclusive benefit of members or beneficiaries.

Funding Policy and Annual Pension Cost

The employee contribution rate is eight percent and the effective employer contribution rate is 12.56 percent of covered payroll for fiscal years 2011 and 2010. For the years ended June 30, 2011 and 2010, the university's total covered payroll for the TRS-DC plan was approximately $3.4 million and $2.7 million, and contributions made by the university totaled $429,910 and $333,253, respectively.

On July 1, 2006, two pension trust sub-funds were created in TRS, the Retiree Major Medical Insurance (RMP) and Health Reimbursement Arrangement (HRA). The TRS Occupational Death and Disability (OD&D) trust sub-fund was created on July 1, 2007. RMP allows eligible members who retire directly from the plan to obtain medical benefits. The HRA allows medical care expenses to be reimbursed from individual savings accounts established for eligible persons. OD&D provides employees with benefits as a result of death or disability on the job. TRS-DC participants are eligible members of RMP and HRA and their postemployment healthcare benefits are paid out of these funds. The employer RMP contribution rate for fiscal year 2011 and 2010 for each member's compensation was 0.68 and 1.03 percent for medical coverage, and 0.28 and 0.32 percent for occupational death and disability benefit contributions. For fiscal years 2011 and 2010, the HRA employer contributions are $143.39 and $141.64 per month for full time employees and $1.10 and $1.09 per hour for part time employees, respectively.

Each fiscal year, TRS-DC issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460.

University of Alaska Optional Retirement Plan (ORP)

Plan Description

The ORP is an employer funded defined contribution plan which operates in conjunction with a companion mandatory tax-deferred annuity plan. The ORP is comprised of three layers of participants, the original ORP or ORP Tier 1, ORP Tier 2 which was created for participants hired on or after July 1, 2005, and ORP Tier 3 which was created for participants hired on or after July 1, 2006. For ORP Tier 1 vi254(lan

Funding Policy and Annual Pension Cost

ORP Tier 1

The ORP Tier 1 participants make employee contributions to one of the plan's annuity programs at a rate of 8.65 percent of covered payroll. The university contributes to one of the plan's authorized employee-selected annuity providers or investment managers at a rate equal to the three-year moving average of the TRS-DB employer contribution rates (12.56 percent for 2011 and 2010).

In fiscal year 2011 and 2010, the university's total covered payroll for the ORP Tier 1 plan was approximately $49.4 million and $50.8 million, respectively. The amounts contributed to the ORP Tier 1 by the university during the years ended June 30, 2011, 2010 and 2009 were $6,203,129, $6,381,618, and $8,462,414, respectively.

ORP Tier 2

The ORP Tier 2 participants make employee contributions to one of the plan's annuity programs at a rate of 8.65 percent of covered payroll. The university contributes to one of the plan's authorized employee-selected annuity providers or investment managers at a rate of 12 percent of covered payroll for fiscal years 2011 and 2010.

In fiscal year 2011 and 2010, the university's total covered payroll for the ORP Tier 2 plan was approximately $3.6 million and $3.7 million, respectively. The amounts contributed to the ORP Tier 2 by the university during the years ended June 30, 2011, 2010 and 2009 were $429,824, $446,041, and $541,237, respectively. The ORP Tier 2 plan was available for new ORP benefit-eligible employees hired in fiscal year 2006. As of July 1, 2006, the ORP Tier 2 plan was no longer available to newly-hired ORP benefit-eligible employees.

ORP Tier 3

The ORP Tier 3 is eligible for employees hired on or after July 1, 2006. The ORP Tier 3 participants make employee contributions to one of the plan's annuity programs at a rate of eight percent of covered payroll. The university contributes to one of the plan's authorized employee-selected annuity providers or investment managers at a rate of 12 percent of covered payroll.

In fiscal years 2011 and 2010, the university's total covered payroll for the ORP Tier 3 plan was approximately $73.8 million and $62.0 million, respectively. The amounts contributed to the ORP Tier 3 by the university during the years ended June 30, 2011, 2010 and 2009 were $8,850,715, $7,436,012, and $5,596,529, respectively.

Plan Assets

At June 30, 2011 and 2010, plan assets (participants' accounts attributable to employer contributions) for ORP Tier 1, Tier 2 and Tier 3 had a net value of approximately $143.8 million and $113.8 million, respectively. ORP Tier 1 and ORP Tier 2 participants are 100 percent vested at all times. University contributions for ORP Tier 3 participants are 100 percent vested after three years of service.

Changes in applicable liability amounts follow ($ in thousands):

	Balance July 1, 2010	Provision for Claims	Claims Payments	Balance June 30, 2011
Health	$ 8,975	$ 64,113	$ (66,926)	$ 6,162
General liability	6,863	(3,216)	(718)	2,929.00
Workers' compensation	6,690	(1,052)	(1,139)	4,499.00
Unemployment	235	993	(976)	252.00
	$ 22,763	$ 60,838	$ (69,759)	$ 13,842

	Balance July 1, 2009	Provision for Claims	Claims Payments	Balance June 30, 2010
Health	$ 8,392	$ 60,333	$ (59,750)	$ 8,975
General liability	5,613	1,591	(341)	6,863
Workers' compensation	5,991	1,973	(1,274)	6,690
Unemployment	138	813	(716)	235
	$ 20,134	$ 64,710	$ (62,081)	$ 22,763

	Balance July 1, 2008	Provision for Claims	Claims Payments	Balance June 30, 2009
Health	$ 7,798	$ 56,365	$ (55,771)	$ 8,392
General liability	5,362	932	(681)	5,613
Workers' compensation	6,051	1,555	(1,615)	5,991
Unemployment	72	493	(427)	138
	$ 19,283	$ 59,345	$ (58,494)	$ 20,134

16. Functional Classifications with Natural Classifications:

The university's operating expenses by natural classification for 2011 and 2010 were as follows ($ in thousands):

	Compensation & Benefits	Contractual

APPENDIX B

TRUST INDENTURE

APPENDIX C

FORM OF OPINION OF BOND COUNSEL

March __, 2012

Board of Regents
University of Alaska
910 Yukon Drive
Butrovich Building, Suite 208
Fairbanks, Alaska 99775

Ladies and Gentlemen:

We have examined the Constitution and laws of the State of Alaska and a record

The Bonds bear interest at the rates per annum and mature on October 1 in each of the years and in the respective principal amounts set out as follows:

Maturity Date (October 1)	Principal Amount	Interest Rate	Maturity Date (October 1)	Principal Amount	Interest Rate
2012	$_____	_.__%	2022	$_____	_.__%
2013			2023		
2014			2024		
2015			2025		
2016			2026		
2017			2027		
2018			2028		
2019			2029		
2020			2030		
2021					

The Bonds shall bear interest from the date of delivery. The first interest

Bonds, the Indenture and the Tax Certificate may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights generally and to the application of equitable principles. Finally, we express no opinion as to the Official Statement or other offering material relating to the Bonds. All capitalized terms used herein and not defined herein are used with the meaning assigned to such terms by the Indenture.

Subject to the foregoing, we are of the opinion that, under existing law:

1. Under the Constitution and laws of the State of Alaska, the University has the power to adopt the Resolution, enter into the Indenture and perform the agreements therein on its part contained and to issue the Bonds.

2. The Indenture has been duly authorized, executed and delivered and constitutes a valid and legally binding obligation of the University enforceable in accordance with its terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium, or other laws affecting creditors' rights generally from time to time in effect).

3. The Bonds are valid and legally binding in accordance with their terms, have been executed by duly authorized persons, and constitute valid and legally binding special revenue obligations of the University, payable and enforceable in accordance with their terms and the terms of the Indenture. The Bonds do not constitute an indebtedness or liability of the State of Alaska or of any other subdivision thereof, except as a special obligation of the University as herein described.

4. Pursuant to the Act, the Indenture creates a valid lien on the Revenues pledged by the Indenture for the security of the Bonds on a parity with outstanding bonds previously issued under the Master Indenture and with Additional Bonds, if any, issued or to be issued under the Master Indenture subject to no prior lien granted under the Act.

5. Under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Bonds is taken into account invid(ta)-ra aining "adjusted currentvidearnings" for purposes of

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order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The University has covenanted to comply with all applicable requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes to

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the University of Alaska (the "Issuer") in connection with the issuance of $_____ University of Alaska General Revenue Refunding Bonds, 2012 Series R (the "Bonds"). The Bonds are being issued pursuant to an Indenture dated as of June 1, 1992, as amended, between the Issuer and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee") and a Fifteenth Supplemental Indenture dated as of March 1, 2012, between the Issuer and the Trustee (together, the "Indenture"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Beneficial Owners to assist the purchaser of the Bonds in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Accounting Principles" shall mean the accounting principles applied from time to time in the preparation of the Issuer's annual financial statements, which initially are generally accepted accounting principles as promulgated from time to time by the Governmental Accounting Standards Board of the Financial Accounting Foundation (or its successor).

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean the person in whose name a Bond is recorded as the beneficial owner of such Bond by the respective systems of The Depository Trust Company and each of the DTC's Participants or the registered owner of the Bond if the Bond is not then registered in the name of Cede & Co., as nominee of DTC.

"CEDE & Co." shall mean CEDE & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"Commission" shall mean the Securities and Exchange Commission.

nominee of DTC with respect to the Bonds.

"DTC" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"DTC Participant" shall mean trust companies, banks, brokers, dealers, clearing corporations, and certain other organizations that are participants of DTC.

(a) SECURITY FOR THE BONDS - Table 2: Revenues Pledged to General Revenue Bonds (for previous fiscal year);

(b) SECURITY FOR THE BONDS - Table 3: Combined Debt Service on General Revenue Bonds and Other Indebtedness (for current fiscal year);

(c) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 5: On Campus Fall Enrollment (for previous fiscal year);

(d) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 6: Student Applications and Enrollment (for previous fiscal year);

(e) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 7: Student Tuition per Credit Hour (for current fiscal year);

(f) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 8: Average Annual Full-Time Student Tuition and Fees (for current fiscal year);

(g) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 9: Annual Student Room and Board and Total Undergraduate Educational Costs (for current fiscal year); and

(h) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 11: Summary of State Appropriations (for current fiscal year).

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event:

(1) Principal and interest payment delinquencies.

(2) Unscheduled draws on debt service reserves reflecting financial difficulties.

(3) Unscheduled draws on credit enhancements reflecting financial difficulties.

(4) Substitution of credit or liquidity providers, or their failure to perform.

(5) Adverse tax opinions or events affecting the tax-exempt status of the Bonds which include (i) the issuance by the Internal Revenue Service ("IRS") of proposed or final determinations of taxability, (ii) Notices of Proposed Issues (IRS Form 5701-TEB), (iii) other material notices or determinations with respect to the Bonds, and (iv) other events affecting the tax status of the Bonds.

(6) Defeasances.

(7) Rating changes.

(8) Tender offers.

(9) Bankruptcy, insolvency, receivership or similar proceeding by the Issuer or "obligated person."

(b) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event, if material:

(1) Nonpayment-related defaults.

(2) Modifications to rights of holders of the Bonds.

(3) Bond calls, other than mandatory, scheduled redemptions not otherwise contingent on the occurrence of an event.

termination of a definitive agreement relating to any such actions, other than in accordance with its terms.

(6) Appointment of a successor or additional trustee or the change in name of the trustee for the Bonds.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance (if notice is given as provided above), prior redemption or payment in full of all of the Bonds. Further, the Issuer's obligations hereunder shall be null and void if the Issuer (1) obtains an opinion of nationally recognized bond counsel to the effect that portions of this undertaking are invalid, have been repealed retroactively or otherwise do not apply to the Bonds, and (2) notifies the MSRB of such opinion and the cancellation of this undertaking, or any portion hereof, and the MSRB is provided with a copy of such opinion.

SECTION 7. Filing Alternatives. Any filing required under the terms of this Disclosure Certificate may be made solely by transmitting such filing to the Electronic Municipal Market Access as provided at http://www.emma.msrb.org, or in such other manner as may be permitted from time to time by the SEC.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate without the consent of the Beneficial Owners of the Bonds, and any provision of this Disclosure Certificate may be waived without the consent of the Beneficial Owners of the Bonds, provided (i) such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment, or waiver does not materially impair the interests of the Beneficial Owners of the Bonds; (ii) the undertakings governed by this Disclosure Certificate would have complied with the requirements of the Rule as of the date hereof, after taking into account any amendments or interpretations of the Rule, asateamethepa pro(w)1f Rule -3(rd(a)-31u)-3(ct)-cmcual

this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Bondholder or Beneficial Owner of a Bond may compel compliance by specific performance. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel specific performance.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: March __, 2012

UNIVERSITY OF ALASKA

_____
MYRON J. DOSCH
Controller