

Contact: Brad Berg

MASTER LEASE FINANCING

Action Requested:

Receive the master lease financing report.

Executive Summary:

Board policy authorizes the Executive Director to execute lease agreements with a master lease provider on behalf of the Regent institutions. The policy requires master lease financings be reported to the Board at the next available meeting.

In March 2012, the Board adopted a reimbursement resolution permitting the University of Iowa to be reimbursed from future borrowing for costs incurred for the purchase of motor vehicles. In August 2012, the Executive Director authorized a five-year master lease financing of \$1,825,000 on behalf of the University of Iowa with Wells Fargo Bank at a tax-exempt interest rate of 1.6%.for the acquisition of motor vehicles.

University Fleet Services is responsible for the purchase and maintenance of the vehicles. Most vehicles are leased to University departments for departmental use, while the remaining vehicles in inventory are rented to faculty and staff traveling on University business.