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ABSTRACT

This report presents information on the Student Loan Marketing Association's (Sallie Mae) activities to finance the construction of academic facilities. Specific information is provided on: (1) the focus on Sallie Mae's college-construction activities to date; and (2) activities that would probably not have been financed under the changes to Sallie Mae's authority made by the Higher Education Amendments of 1992. Data were obtained from a review of laws, interviews with Sallie Mae officials, and a review of Sallie Mae inventory. A review of construction activities indicates that most transactions were for projects at 4-year private schools and were most often financed by bonds. A total of 183 transactions totally nearly \$2 billion were classified into seven major project categories. Seven of the 183 transactions were selected as cases and reviewed. Regarding the impact of the 1992 Higher Education Amendments of construction financing, Sallie Mae officials estimate that they would not have approved \$1.1 billion of 52 percent of the transactions under the 1992 changes. Appendices contain Sallie Mae inventories of academic facility projects through December 31, 1991; a description of seven selected financing transactions; classification of facilities financing by school and project type; classification of facility-financing instruments by project type; and a list of major contributors to the report. (Contains three tables and two figures.) (LMI)

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GAO

United States General Accounting Office
Report to Congressional Requesters

April 1993

SCHOOL CONSTRUCTION

Sallie Mae Financing Activities

ED 357 467



EA 024 870

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GAO/HRD-93-61

Human Resources Division

B-248738

April 13, 1993

**The Honorable Edward M. Kennedy
Chairman, Committee on Labor and
Human Resources
United States Senate**

**The Honorable Claiborne Pell
Chairman, Subcommittee on Education,
Arts, and Humanities,
Committee on Labor and
Human Resources
United States Senate**

This report responds to your request for information on the Student Loan Marketing Association's (Sallie Mae) activities to finance the construction of academic facilities under sections 439(d)(1)(C) and 439(d)(5) of the Higher Education Act of 1965, as amended (20 U.S.C. 1087-2). Specifically, you requested that we report on (1) the focus of Sallie Mae's college construction financing activities to date and (2) activities that would not have been financed under changes to Sallie Mae's authority made by the Higher Education Amendments of 1992.

On September 2, 1992, we briefed your staff on the preliminary results of our work. This report presents our final results.

Results in Brief

Between October 1986 and December 1991 Sallie Mae executed 183 transactions financing nearly \$2 billion for construction or maintenance of facilities at about 150 postsecondary institutions.¹ The institutions included public and private 2-year and 4-year colleges and universities and teaching hospitals.

These transactions covered projects ranging from construction and renovation of classrooms, libraries, athletic and recreational buildings, and housing facilities to acquisition of computer equipment and power and telecommunications systems. Data were not available on proposed projects disapproved by Sallie Mae because its procedures do not require that such data be maintained.

The Higher Education Amendments of 1992 changed Sallie Mae's authority to finance college construction projects as initially provided in the Higher

¹Each transaction financed one or more projects at an institution.

Education Amendments of 1986. The 1992 amendments restricted the extent of financing for certain types of facilities and eliminated financing for others. Under the 1992 changes, Sallie Mae believed it would not have been able to finance 57 percent of the nearly \$2 billion of financings. Projects that likely would not have received financing included \$59 million for student/faculty housing and \$1 billion for some athletic and student recreational facilities and teaching hospitals.

Background

Sallie Mae is a federally chartered, stockholder-owned for-profit corporation established by the Congress in 1972 as a national secondary market for federally guaranteed student loans. Sallie Mae is authorized to purchase student loans, lend to other financial institutions on the security of student loans, and buy and sell obligations issued to finance educational facilities. As of December 31, 1991, its assets totaled \$45.3 billion, including \$22.1 billion in student loans owned by the corporation.

The Congress amended the Higher Education Act in 1986 to give Sallie Mae the authority to directly or indirectly finance the construction of academic facilities. Sallie Mae offers schools a variety of financing options under this authority.

Scope and Methodology

We reviewed the law and related data regarding Sallie Mae's authority to participate in the college facilities financing market. We also reviewed changes made to its authority by the 1992 amendments.

We interviewed Sallie Mae officials to determine the policies and practices followed by the corporation to obtain requests for construction financing from schools and to select projects for approval. To obtain an overview of the range of projects in its inventory, we also obtained a listing of all transactions approved by Sallie Mae from the inception of the law through December 31, 1991 (see app. I).

From this listing we judgmentally selected seven transactions for more detailed review to provide examples of the types of projects approved and the kinds of schools making use of the available financing. We selected these cases to demonstrate the range of projects financed by Sallie Mae. The cases were not selected as representative of Sallie Mae's inventory of transactions for academic facilities (see app. II).

Finally, we requested Sallie Mae officials to identify those projects from its inventory which they believe would not have been approved under the changes made under the 1992 amendments (see app. III).

Our work was conducted between April and October 1992 in accordance with generally accepted government auditing standards.

Sallie Mae's School Construction Activities

Sallie Mae financed a wide variety of academic facilities construction projects for a large number of institutions. It offered a number of financing options to schools, and executed 183 transactions with 150 institutions, including both 2- and 4-year public and private schools as well as teaching hospitals and professional schools.² These transactions totalled nearly \$2 billion.

Interpretation of 1986 Amendments Resulted in Wide Range of Projects

Sallie Mae interpreted the scope of its authority to finance academic facilities broadly under the 1986 Higher Education Amendments. Section 439 (d)(1)(C) authorized Sallie Mae to finance or refinance

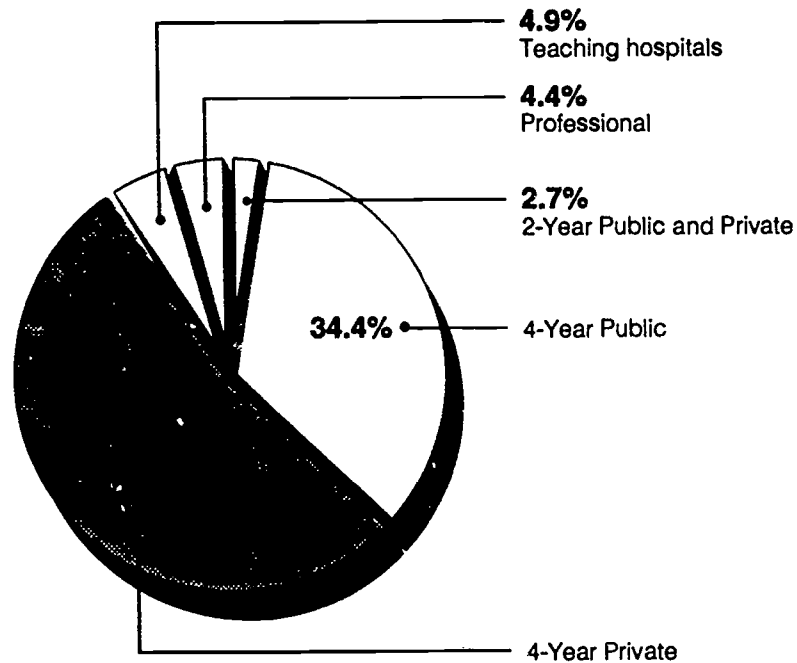
"the construction, reconstruction, renovation, or purchase of educational and training facilities and housing for students and faculties (including the underlying real property), and related equipment, instrumentation, and furnishings."

Under this authority, between October 17, 1986, and December 31, 1991, Sallie Mae financed a wide range of projects at colleges and teaching hospitals. Projects included the construction and/or renovation of classrooms, administration buildings, libraries, research laboratories, student unions and other recreational centers, and athletic facilities as well as parking lots and power systems. Sallie Mae also provided financing for student and faculty housing construction and renovation, telephone systems, medical and computer equipment, and furniture.

Figure 1 illustrates that most of the transactions were for projects at 4-year private schools. See appendix IV for more information on Sallie Mae's financing activities by type of institution.

²Professional schools included non profit colleges for medicine and optometry and institutions for music, international studies, and law.

Figure 1: Academic Facilities Financing Transactions, by Type of School



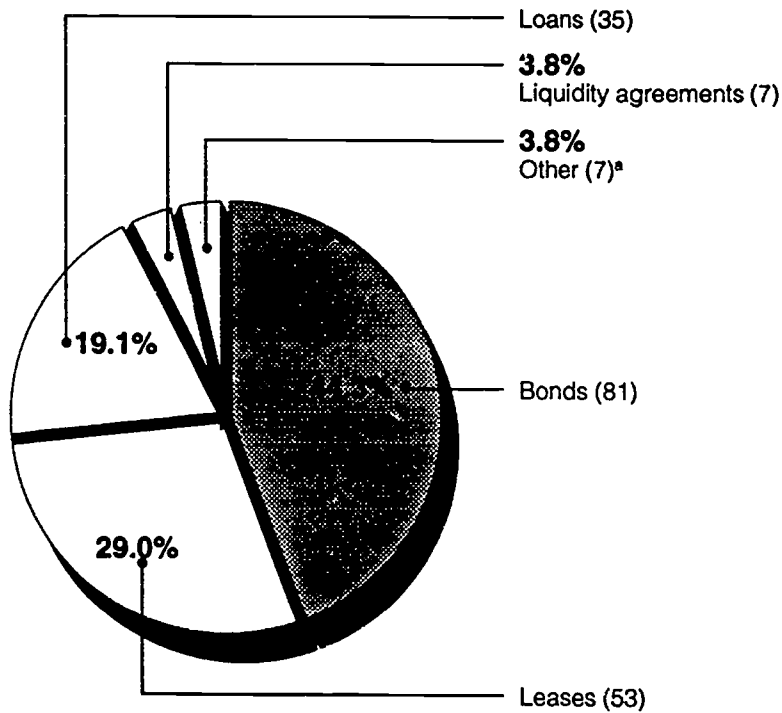
Financing Instruments

Sallie Mae uses four different kinds of financing instruments to finance the construction and maintenance of academic facilities.

- **Bond financing.** Sallie Mae buys bonds issued by a state or local government authority, which then lends the proceeds to a school to be used for eligible construction projects.
- **Lease Agreements.** Sallie Mae makes a loan to a school enabling it to finance a lease/purchase agreement with a third party for acquisition of specific property. The agreements culminate in the transfer of property ownership to the school. The school repays the loan to Sallie Mae.
- **Loans.** Sallie Mae makes loans or provides lines of credit directly to schools for eligible projects.
- **Liquidity agreements.** Sallie Mae provides a lender making a construction loan to a school the opportunity to sell the loan or bond to Sallie Mae at any time. This form of liquidity maintains a continuing market during the life of a school's debt, which helps to encourage lenders to make more construction funds available to schools.

Figure 2 shows that Sallie Mae most often used bonds to finance the 183 transactions. The second most frequent method was financing lease/purchase agreements, primarily used to equip educational facilities. Appendix V provides more information on financing methods by project type.

Figure 2: Financing Instruments Used by Sallie Mae for Academic Facilities



*Data not available.

Inventory of Transactions

At our request, Sallie Mae classified the 183 transactions—totalling nearly \$2 billion—into seven major categories of projects:

- **Educational facilities:** encompass the construction or renovation of facilities such as classrooms, administration buildings, libraries, student unions, and campus infrastructure, including heating systems and parking lots.

- **Training facilities:** includes projects similar to the types financed as educational facilities but located at teaching hospitals.
- **Student/faculty housing:** includes new construction as well as renovations of student and faculty housing.
- **Equipment for educational facilities:** covers the acquisition of items such as computers, furnishings, and communications systems.
- **Equipment for training facilities:** is the acquisition of medical equipment associated with teaching hospitals.
- **Equipment for housing:** covers the acquisition of items such as security and telephone systems for student and faculty housing.
- **Multiple category:** classifies transactions that include two or more of the above categories.

Table 1 shows equipment at educational facilities accounted for the largest number of financing transactions, although projects for multiple purposes received the largest share of funds.

Table 1: Sallie Mae School Construction Financing Transactions, by Type of Project

| Dollars in millions | | |
|-------------------------|----------------|------------------|
| Project type | Transactions | Amount |
| Educational facilities | 56 | \$454.5 |
| Training facilities | 6 | 316.5 |
| Student/faculty housing | 29 | 147.8 |
| Educational equipment | 61 | 177.6 |
| Training equipment | 0 ^a | 0 ^a |
| Equipment for housing | 2 | 2.0 |
| Multiple | 29 | 851.9 |
| Total | 183 | \$1,950.3 |

^aThree multiple transactions contained equipment for teaching hospitals.

Sample Cases of Approved Projects

To illustrate the range of projects Sallie Mae financed, we selected 7 of the 183 transactions for review. We selected the cases to obtain a mix of projects, institutions, and financing instruments. Our cases included four 4-year public universities, two 4-year private schools, and one teaching hospital. A description of each is contained in appendix II.

Impact of the 1992 Higher Education Amendments on Construction Financing

The Higher Education Amendments of 1992 amended Sallie Mae's authority by limiting its financing activities for certain types of facilities and eliminating financing for others. Sallie Mae estimates that it would not have approved 57 percent or about \$1.1 billion of the nearly \$2 billion of financings for construction activities if the revised requirements were in effect when the projects were submitted.

Changes in Sallie Mae's Legislative Authority

The amendments specifically limit Sallie Mae's financing activities for student and faculty housing projects to 15 percent of the total value of its construction transactions. The amendments also specifically state that educational, training, and library facilities are eligible for financing, providing that the facilities are at an eligible institution of higher education under the Higher Education Act. They clarify that related equipment, instrumentation, and furnishings must be related to the education, training, or library facilities.

The Conference Report that accompanied the 1992 amendments (H.R. Rep. No. 102-630) stated that the intent of the amendments was to permit Sallie Mae to finance mixed-use projects encompassing campus safety facilities, such as lighting, sidewalks, emergency telephones, and infrastructure improvements, including heating and cooling systems. The report also noted that the primary focus of financings is to be on academic facilities; that lending for dormitories and housing be strictly limited; and that there be no lending for athletic facilities, teaching hospitals, dining halls, and student unions.

Impact on Sallie Mae's Financing Projects

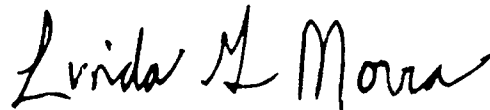
Sallie Mae officials, at our request, identified those projects that they would not have approved under the authority as amended in 1992. Of the \$1.9 billion construction financings made through 1991, Sallie Mae officials believe they would not have approved \$1.1 billion or 57.3 percent under the 1992 changes. This total included \$1 billion in projects now prohibited and \$59 million for housing projects that would have exceeded the 15-percent limit.

Appendix III provides more information on the transactions that Sallie Mae would and would not have financed under the changes made by the 1992 amendments. While Sallie Mae recognized that it would have reduced the amount of financing for housing projects, it did not identify which projects it would have eliminated.

Agency Comments

We discussed a draft of this report with Sallie Mae officials who generally concurred with our findings. They suggested some technical changes which we incorporated where appropriate.

We are sending copies of this report to other congressional committees; the Secretary of Education; the Director, Office of Management and Budget; the President of Sallie Mae; and other interested parties. We will also make copies available to others on request. If you wish to discuss its contents, please call me on (202) 512-7014. Other major contributors to this report are listed in appendix VI.



Linda G. Morra
Director, Education and
Employment Issues

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Sallie Mae's Inventory of Academic Facility Financing Projects Through December 31, 1991

This appendix contains a reproduction of the listing of Sallie Mae's academic facility financing projects through December 31, 1991. We did not verify the accuracy of the information.

Facilities Finance Transactions: Educational Facilities

| State | Borrower | Priv/ publ | Years | Amount (\$millions) | Purpose |
|-------|---|---------------|---------|------------------------|---|
| AZ | Mohave Community College | public | two | \$1.0 | Classrooms & Labs |
| CA | Cal State University - San Bernadino Foundation | public | four | 0.6 | Academic Bldg |
| CA | California Western School of Law | private | profess | 4.5 | Faculty & Admn Offices/Student Union & Services/Bookstore&Parking |
| CA | Harvey Mudd College | private | four | 4.0 | Academic Bldg |
| CA | Monterey Institute of International Studies | private | profess | 2.6 | Academic & Office Bldg,Auditorium |
| CA | Occidental College | private | four | 1.6 | Science Bldg Renov |
| CA | San Francisco Conservatory of Music | private | profess | 1.2 | Recital Hall Renov/HVAC/Property Purchase |
| CA | San Jose University - Spartan Shops | public | four | 1.1 | Dining Hall Renov |
| CA | University of California, Irvine | public | four | 2.4 | Modular Office Bldgs |
| CA | University of California, Irvine | public | four | 3.6 | Modular Office Bldgs |
| CO | University of Denver | private | four | 6.0 | Student Union & Law School Refin |
| IA | Drake University, Series 1990 | private | four | 19.0 | Law Library/Athletic Facility Rer.ov |
| IA | Drake University, Series 1992 A & E | private | four | 7.7 | Tennis Bldg/Admin Hall & Theater Renov |
| IA | Iowa State Memorial Union | public | four | 0.2 | Student Union |
| IA | Loras College | private | four | 3.5 | New Student Union Const & Student Union Renov |
| IA | University of Northern Iowa | public | four | 1.3 | Boiler(Power Plant) |
| IL | Augustana College | private | four | 15.0 | Library |
| IL | Chicago College of Osteopathic Medicine | private | profess | 20.0 | Purch,Finan & Refin 40 Acres Land w/Academic Bldgs |
| IL | Elmhurst College | private | four | 5.0 | Student Services & Admn Bldgs Renov |
| KY | Bearrmine College | private | four | 3.0 | Nursing School Bldg |
| KY | Georgetown College | private | four | 0.6 | Academic Bldg.Renov |
| LA | Dillard University | private | four | 3.0 | Fine Arts Bldg |
| LA | Louisiana College | private | four | 2.5 | Performing Arts Bldg Refin/Auditorium |
| LA | Xavier University | private | four | 4.7 | Science Bldg. |
| MA | **Albany Street Associates-Boston University | private | four | 11.7 | Medical Research Bldg/Admin Offices |
| MA | Assumption College | private | four | 10.5 | Food Service Bldg |

(continued)

**Appendix I
Sallie Mae's Inventory of Academic Facility
Financing Projects Through December 31,
1991**

| State | Borrower | Priv/ publ | Years | Amount (\$millions) | Purpose |
|--------------|--------------------------------------|-----------------------|--------------|--------------------------------|---|
| MA | Assumption College | private | four | 5.5 | Student Recreation Bldg |
| MA | Bentley College | private | four | 0.9 | Recreation Facility Renov |
| MA | Boston University | private | four | 50.0 | School of Management Administration Bldg |
| MA | Eastern Nazarene College | private | four | 3.0 | Library |
| MA | Merrimack College | private | four | 5.0 | Science/Engineering Center |
| MA | New England College of Optometry | private | profess | 2.6 | Academic & Office Bldgs Renov |
| MD | Johns Hopkins University | private | four | 88.0 | Medical Research Bldg w/Admn Offices |
| MI | Eastern Michigan University | public | four | 1.6 | Data processing Equipment |
| MO | Fontbonne College | private | four | 2.5 | Student Activity Center |
| MO | William Jewell College | private | four | 6.5 | Science & Technology Bldg. |
| NH | **Dartmouth College | private | four | 17.2 | Chemistry & Medical School Bldg/Utility Distribution System |
| NY | Cornell University | private | four | 30.0 | Hotel, Academic Center/Field House Renov & Const |
| NY | Rensselaer Polytechnic Institute | private | four | 3.0 | Research Bldgs |
| PA | Allegheny College | private | four | 5.5 | Science Bldg. |
| PA | Bucknell University | private | four | 7.1 | Science Bldg. |
| PA | Gettysburg College | private | four | 5.0 | Academic Bldgs & Student Union Renov |
| PA | Kings College | private | four | 5.5 | Business School/Boilers |
| PA | Kings College | private | four | 0.3 | Parking Lot |
| PA | Ursinus College | private | four | 5.0 | Utility Tunnel |
| SD | Augustana College | private | four | 0.6 | Electric Generator |
| SD | Dakota Wesleyan University | private | four | 1.4 | Student Center Renov |
| VA | University of Virginia RE Foundation | public | four | 10.0 | Hotel & Conf Center |
| VA | Shenandoah University | private | four | 2.5 | Library |
| VT | Norwich University | private | four | 2.5 | Library |
| WA | Gonzaga University | private | four | 11.0 | Library, Arts Center, Academic Bldg Const/Bldg Purch |
| WA | Seattle University | private | four | 8.2 | Nursing Education Center |
| WA | Seattle University | private | four | 11.2 | Academic Bldgs Refin |
| WI | Alverno College | private | four | 4.0 | Admn Bldg Renov |
| WI | St. Norbert College | private | four | 3.0 | Math/Computer Building |
| WY | Western Wyoming Community College | public | two | 19.6 | Arts & Hum, Sci & Tech, Phy. Fitness, Classrm, Phy. Plant, Multi-purp Bldgs Const/Libr, |
| | | | | \$454.5 | |

**Appendix I
Sallie Mae's Inventory of Academic Facility
Financing Projects Through December 31,
1991**

Facilities Finance Transactions: Training Facilities

| State | Borrower | Priv/ publ | Years | Amount (\$millions) | Purpose |
|--------------|------------------------------|-----------------------|--------------|--------------------------------|---|
| MA | Frammingham Union Hospital | hospital | n/a | \$17.0 | Cancer Center |
| NY | Albany Medical Center | hospital | n/a | 170.0 | Const. 2 bldgs, patient care unit, ambul. care facil., power plant, operating rm labs |
| NY | Long Beach Memorial Hospital | hospital | n/a | 45.0 | Refin. 1984 issue const emergency room & labs, roof, remove asbestos |
| NY | Nyack Hospital | hospital | n/a | 47.0 | Hospital Bldgs |
| PA | Doylestown Hospital | hospital | n/a | 11.5 | Hospital Bldg. Structural, Mortar Repair |
| WI | Medical College of Wiscon. | private | four | 26.0 | Ambulatory Care Unit for MCW & Local Hospitals |
| | | | | \$316.50 | |

**Appendix I
Sallie Mae's Inventory of Academic Facility
Financing Projects Through December 31,
1991**

Facilities Finance Transactions: Student & Faculty Housing

| State | Borrower | Priv/ publ | Years | Amount (\$millions) | Purpose |
|--------------|---|-----------------------|--------------|--------------------------------|-------------------------------|
| CA | Cal State Poly University - Pomona Foundation | public | four | 8.1 | Student Housing |
| CA | Cal State Poly University - Pomona Foundation | public | four | 3.8 | Student Housing |
| CA | Cal State University - Stanislaus Foundation | public | four | 2.0 | Student Housing |
| CA | California Institute of the Arts | private | four | 2.5 | Student Housing Refin |
| CA | College of Notre Dame | private | four | 0.3 | Student Housing Refin |
| DC | Catholic University | private | four | 11.0 | Student Housing Refin |
| DC | Catholic University | private | four | 2.7 | Student Housing |
| GA | Shorter College | private | four | 1.3 | Student Housing |
| GA | Truett McConnell College | private | two | 0.1 | Student Housing Refin |
| KY | Kentucky University System | public | four | 41.4 | Student Housing Refin |
| KY | Midway College | private | two | 0.6 | Student Housing Renov |
| LA | Xavier University | private | four | 2.5 | Student Housing Renov |
| MA | Springfield College | private | four | 7.0 | Student Housing |
| MA | Western New England College | private | four | 9.7 | Student Housing Renov |
| MN | College of St. Benedict | private | four | 6.4 | Student Housing Const & Renov |
| NC | Davidson College | private | four | 3.0 | Student Housing |
| NY | Sarah Lawrence College | private | four | 1.2 | Student Housing |
| NY | Sarah Lawrence College | private | four | 0.4 | Student Housing |
| NY | State Street Associates-Cornell University | private | four | 7.0 | Student Housing |
| NY | Union Theological Seminary | private | profess | 9.4 | Student Housing |
| OR | Pacific University | private | four | 2.0 | Student Housing Refin |
| PA | Chatham College | private | four | 4.0 | Student Housing Renov |
| PA | Dickinson College | private | four | 1.8 | Student Housing Renov |
| PA | Gettysburg College | private | four | 8.0 | Student Housing Renov |
| PA | St. Joseph's University | private | four | 2.3 | Student Housing Refin |
| RI | Roger Williams College | private | four | 1.7 | Student Housing Refin |
| RI | Salve Regina College | private | four | 0.2 | Student Housing Refin |
| TN | Memphis College of Art | private | profess | 0.5 | Student Housing Renov |
| WI | Carroll College | private | four | 7.0 | Student Housing |
| | | | | \$147.80 | |

**Appendix I
Sallie Krawcheck Inventory of Academic Facility
Financing Projects Through December 31,
1991**

Facilities Finance Transactions: Equipment for Educational Facilities

| State | Borrower | Priv/ publ | Years | Amount (\$millions) | Purpose |
|-------|---|---------------|-------|------------------------|---|
| AR | University of Arkansas | public | four | 1.3 | Medical Equipment |
| AZ | Northern Arizona University | public | four | 3.8 | Telephone System |
| CA | Cal State University - Long Beach | public | four | 2.3 | Telephone System |
| CA | Lawrence Berkeley Laboratory - Univ. of Cal. | public | four | 6.3 | Telephone System |
| CA | San Diego State University | public | four | 6.0 | Telephone System |
| CA | San Francisco State University | public | four | 3.7 | Telephone System |
| CA | San Jose State University | public | four | 4.8 | Telephone System |
| CA | Sonoma State University | public | four | 1.1 | Telephone System |
| CA | University of California, Irvine | public | four | 1.9 | Computer-Research |
| CA | University of California- UCLA Medical Center | public | four | 10.0 | Medical Equipment |
| CA | University of California- UCLA Medical Center | public | four | 10.0 | Medical Equipment |
| CA | University of California, San Diego | public | four | 1.9 | Telephone System |
| CA | University of Cal. - San Diego Medical Center | public | four | 2.3 | Medical Equipment |
| CA | University of Cal. - San Diego Medical Center | public | four | 1.4 | Medical Equipment |
| CA | University of Cal. - San Diego Medical Center | public | four | 1.9 | Medical Equipment |
| CO | Colorado College | private | four | 1.0 | Telephone System |
| CO | University of Northern Colorado | public | four | 1.8 | Telephone System |
| CT | University of Connecticut | public | four | 12.6 | Telephone System |
| FL | Pensacola Junior College | public | two | 3.5 | Computers-Academic/Academic Furniture |
| IA | Iowa Board of Regents | public | four | 6.2 | Computers-Variou |
| IA | Iowa State University | public | four | 0.7 | Lab Equipment & Aircraft for Admn |
| IA | University of Iowa | public | four | 0.7 | Lab Equipment-Spectrometer |
| IL | Quincy College | private | four | 0.4 | Telephone System |
| IL | Southern Illinois University | public | four | 3.9 | Computer-Variou |
| LA | Tulane University | private | four | 16.8 | Computers,Furniture,Health Care Equipment |
| MA | Massachusetts Institute of Technology | private | four | 3.5 | Research/Admin Equipment |
| MA | Massachusetts Institute of Technology | private | four | 3.0 | Research/Admin Equipment |
| MA | Massachusetts Institute of Technology | private | four | 5.2 | Research/Admin Equipment |

(continued)

**Appendix I
Sallie Mae's Inventory of Academic Facility
Financing Projects Through December 31,
1991**

| State | Borrower | Priv/ publ | Years | Amount (\$millions) | Purpose |
|-------|---|---------------|---------|------------------------|---------------------------|
| MA | Massachusetts Institute of Technology | private | four | 2.1 | Research/Admin Equipment |
| MA | Massachusetts Institute of Technology | private | four | 2.0 | Research/Admin Equipment |
| MA | MIT, Lincoln Laboratories | private | four | 3.0 | Computers-Admn & Research |
| MA | Merrimack College | private | four | 0.8 | Telephone System |
| MA | University of Massachusetts | public | four | 0.9 | Medical Equipment |
| MA | University of Massachusetts | public | four | 0.7 | Medical Equipment |
| MA | University of Massachusetts | public | four | 2.2 | Medical Equipment |
| MA | University of Massachusetts, Amherst | public | four | 0.3 | Medical Equipment |
| MA | University of Massachusetts, Medical Center | public | four | 0.4 | Medical Equipment |
| MA | University of Massachusetts, Worcester | public | four | 0.5 | Medical Equipment |
| MD | Johns Hopkins University/ Applied Physics Lab | private | four | 3.0 | Computer-Variou |
| MD | University of Maryland | public | four | 2.5 | Computer-Variou |
| MD | University of Maryland | public | four | 0.4 | Computer-Variou |
| MT | Eastern Montana College | public | four | 0.4 | Computer-Variou |
| MT | Montana State University | public | four | 2.0 | Computer-Variou |
| MT | University of Montana | public | four | 1.6 | Computer-Variou |
| NC | East Carolina University | public | four | 5.0 | Computer-Research & Admn |
| NC | University of North Carolina | public | four | 0.6 | Computer-Academic |
| ND | University of North Dakota | public | four | 2.8 | Computer-Academic & Admn |
| NE | University of Nebraska | public | four | 0.9 | Computer-Research |
| NV | University of Nevada | public | four | 0.2 | Computer-Academic |
| NY | Rockefeller University | private | profess | 5.0 | Telephone System |
| OH | University of Cincinnati | public | four | 0.6 | Athletic Score Boards |
| OH | University of Ohio | public | four | 3.2 | Telephone System |
| PA | Kutztown University | public | four | 2.1 | Telephone System |
| PA | Moravian College | private | four | 0.4 | Telephone System |
| PA | Thomas Jefferson University | private | four | 6.5 | Medical Equipment |
| PA | Thomas Jefferson University | private | four | 5.5 | Medical Equipment |
| TX | University of Texas, Arlington | public | four | 0.9 | Computer-Academic |
| TX | West Texas State University | public | four | 0.3 | Furniture-Student Union |
| UT | University of Utah Hospital | public | four | 1.9 | Medical Equipment |
| VA | George Mason University | public | four | 0.8 | Computer-Admn |
| WA | Eastern Washington University | public | four | 0.1 | Computer-Admn |
| | | | | \$177.60 | |

**Appendix I
Sallie Mae's Inventory of Academic Facility
Financing Projects Through December 31,
1991**

Facilities Finance Transactions: Equipment for Student & Faculty Housing

| State | Borrower | Priv/ publ | Years | Amount (\$millions) | Purpose |
|--------------|---------------------|-----------------------|--------------|--------------------------------|----------------------------------|
| MA | Springfield College | private | four | \$1.5 | Telephone System-Student Housing |
| SC | Clemson University | public | four | 0.5 | Student Housing Security System |
| | | | | \$2.00 | |

**Appendix I
Sallie Mae's Inventory of Academic Facility
Financing Projects Through December 31,
1991**

Facilities Finance Transactions: Two or More Categories

| State | Borrower | Priv/ publ | Years | Amount (\$millions) | Purpose |
|--------------|--|-----------------------|--------------|--------------------------------|---|
| CA | Cal State University - Northridge Foundation | public | four | \$6.7 | Bookstore & Food Service Facility & Equipment |
| CO | State Colleges of Colorado | public | four | 4.8 | Student Unions Const./Student Housing Complex Purch. |
| CO | University of Colorado, Series 1991A | public | four | 11.0 | Athletic Team House/Telephone System |
| CO | University of Colorado, Series 1991B & 1991C | public | four | 17.5 | Land & Equipment Purch./Academic & Research Bldgs. Const. |
| IA | Drake University, Series 1991 | private | four | 1.6 | Computer Equipment Purch./Electric & Phone Service/Student Housing Renov |
| IL | Bradley University | private | four | 7.0 | Academic Bldg Renov&Student Housing Const |
| IL | Monmouth College | private | four | 1.0 | Academic Bldg, Student Housing Renov & Office Bldg-Windows |
| MA | Boston University | private | four | 39.3 | Allied Health Bldg/Student Housing |
| MA | Clark University | private | four | 15.6 | Student Housing, Student Union, Food Service & Library Refin |
| MA | Mt. Holyoke College | private | four | 4.4 | Admn Bldg & Student Housing Renov |
| MD | Johns Hopkins University | private | four | 17.5 | Admn & Academic Bldgs Renov/Student Housing Refin/Space Telescope Facility |
| MN | Gustavus Adolphus College | private | four | 3.0 | Classrm, Faculty Offices Const, Furnish, Equip/AirCond: Libr, Studt Union, Acad Halls |
| ND | University of North Dakota | public | four | 15.8 | Aircraft & Flight Simulators/Training Bldgs(hangers) |
| NY | Albany Medical College | private | four | 1.0 | Medical Equip/Renov. Admn. Space, Research Lab, Clinical Pract & Facility |
| NY | Albany Medical College | private | four | 0.6 | Medical Equip/Renov. Admn. Space, Research Lab, Clinical Pract & Facility |
| NY | Buffalo General Hospital | hospital | n/a | 166.0 | Const., Renov., & Equipping patient care areas |
| NY | Ellis Hospital | hospital | n/a | 99.0 | Nursing tower, surgical recovery suite, radiation suite/renov. & demolit. hosp. wings |
| NY | Manhattan School of Music | private | four | 1.6 | Pianos and Auditorium |
| NY | Montefiore Hospital | hospital | n/a | 267.0 | Const., Renov., Equipping patient care areas, building conversion, refin 2 loans |
| NY | **New York University | private | four | 99.1 | Medical Research Bldg/Faculty & Staff Housing |
| PA | HealthEast | hospital | n/a | 15.0 | Reimburse for capital expenditures, purch. capital equipment, remodeling projects |
| PA | University of Scranton | private | four | 19.3 | Library & Student Housing |

(continued)

**Appendix I
Sallie Mae's Inventory of Academic Facility
Financing Projects Through December 31,
1991**

| State | Borrower | Priv/ publ | Years | Amount (\$millions) | Purpose |
|--------------|------------------------------|-----------------------|--------------|--------------------------------|---|
| PA | Wilkes University | private | four | 7.0 | Labs Renov/Computer/Student Athletic Center |
| TX | Abilene Christian University | private | four | 6.7 | Science Bldg & Student Housing Renov |
| VA | Virginia Wesleyan | private | four | 2.5 | Dining Facility/Student Housing |
| WA | Pacific Lutheran University | private | four | 20.3 | Science Bldg Refin/Student Housing, Music Bldg, Student Cnter Const&Renov/Computers |
| WI | Lakeland College | private | four | 0.5 | Student Housing & Academic Bldg Renov, Refin |
| WI | Northland College | private | four | 0.7 | Student Housing, Maint Bldg Const, Art Bldg Renov |
| WI | Northland College | private | four | 0.4 | Student Housing, Maint Bldg Const, Art Bldg Renov |
| | | | | \$851.89 | |

**These are line of credit drawdowns consolidated as one transaction.

Description of Seven Selected Financing Transactions

This appendix describes seven financing transactions from Sallie Mae's inventory of academic facility construction projects as of December 31, 1991. We judgmentally selected these examples to illustrate the types of projects Sallie Mae financed.

Educational Facilities

University of California, Irvine

In 1987, Sallie Mae financed a 5-year, \$2.8 million lease-purchase agreement for the construction of modular office space for the Medical Center of the University of California, Irvine. The university intended the space to be used by doctors involved in the cancer program at the university hospital. The space consolidated cancer services ranging from outpatient screening to surgical oncology in one location. The space was also for use by university doctors for practices in other medical fields, including urology, pulmonary, internal and family medicine, dermatology, cardiology, and general surgery. The university was to obtain title to the space at the end of the contract.

The University of California, Irvine, is a 4-year public institution that is part of the nine campus University of California system. It is located 40 miles south of Los Angeles. It offers undergraduate, graduate, and professional degrees with a faculty of over 6,900. Enrollment at the time of the Sallie Mae financing was 14,500 students.

Moody's rated the state of California Aa.¹

Drake University

In November 1990, Sallie Mae purchased \$20 million in fixed-rate tax-exempt bonds issued by the City of Des Moines, Iowa. The city loaned the proceeds of the bonds to Drake University, a 4-year, private school in Des Moines. The school planned to use \$8 million of the proceeds to construct a new law library and the remaining \$12 million to renovate and expand a multipurpose sports facility.

According to the university, it needed the law library to accommodate the increase in the school's law school enrollment. The athletic facility was to

¹Section 439 (d)(5) of the 1986 Higher Education Amendments specified that at least 75 percent of Sallie Mae's academic facilities financing must be obligations listed by a nationally recognized rating organization below the third highest rating. The Higher Education Amendments of 1992 modified this requirement to the second highest rating.

include additional seating, a jogging track, racquetball courts, and facilities for volleyball and intermural basketball.

Drake University received a rating less than A from Duff and Phelps.

University of Virginia

The University of Virginia Real Estate Foundation—a non-profit organization formed to aid in the acquisition, management, and development of real estate for the benefit of the University of Virginia—guaranteed a \$10-million taxable loan from Sallie Mae to Boar's Head Enterprises, Inc., in 1990. The loan was to be used to refinance existing debt and finance renovations for the Boar's Head Inn, a 175-room hotel/conference center near the university in Charlottesville, Virginia.

The University of Virginia Real Estate Foundation had purchased the Boar's Head—considered the premier lodging facility in the area—in 1989. The foundation's properties are primarily used by the university, its affiliates, and faculty and students. Before agreeing to the loan, Sallie Mae required the Foundation to attest that more than 50 percent of the facility's future use would be for educational purposes.

The University of Virginia is a 4-year public undergraduate and graduate institution founded in 1819 and governed by the Commonwealth of Virginia. A 13-member Board of Directors, including five university officials as ex-officio members, oversees the Real Estate Foundation, which the University initially funded with interest-free borrowing from its endowment fund.

Standard and Poor's rated the University's revenue bonds A+ and the Commonwealth of Virginia triple A.

Student/Faculty Housing

Sarah Lawrence College

In 1990, Sallie Mae provided a \$400,000 loan to Sarah Lawrence College, a 4-year, private liberal arts college outside New York City. The college requested the loan for the purchase of land and a building that was to be converted to a student residence hall.

**Appendix II
Description of Seven Selected Financing
Transactions**

The loan was in the form of a 12-month taxable line of credit that the school anticipated converting to long-term financing with Sallie Mae at the end of its term.

Sarah Lawrence is a small school with approximately 1,000 full-time students, three-fourths of whom are female. The college approached Sallie Mae in response to facilities financing advertising.

McCarthy, Crisanti & Maffei, Inc., rated the college "less than A."

Equipment- Educational Facilities

University of Connecticut

In December 1988, Sallie Mae provided \$12.5 million for 10 and 1/2 years to finance an installment purchase agreement for a campus-wide telecommunications system for the University of Connecticut. The Connecticut Bank and Trust Company funded the lease purchase agreement in August 1988 and subsequently assigned (transferred) its interest to Sallie Mae.

The University of Connecticut is a 4-year public institution offering both undergraduate and graduate degrees.

We found no information on the school's investment rating in the data Sallie Mae provided.

Multiple Projects

University of Colorado

In December 1990, Sallie Mae purchased \$12.5 million in fixed-rate tax-exempt bonds to benefit the University of Colorado—a large, public undergraduate and graduate institution consisting of four campuses within Colorado.

The proceeds of the bonds were to finance (1) the \$10-million construction of an athletic field house at the university's Boulder campus and (2) the \$2.5-million expansion and upgrade of the telecommunications system of

**Appendix II
Description of Seven Selected Financing
Transactions**

the university's Health Sciences Center in Denver. The field house consolidated athletic department functions from eight campus facilities and provided an academic center and dining hall for student athletes and offices for coaches. The telecommunications project included renovations to the Health Sciences Center's loading dock and security systems.

Standard & Poor's rated the University of Colorado system AA.

Montefiore Medical Center

In June 1989, Sallie Mae entered into an agreement with the New York State Medical Care Facilities Finance Agency for \$27 million over 35 years in support of a \$271 million 1989 Series A bond issue for Montefiore Medical Center. Montefiore is a major teaching hospital in the Bronx, New York.

The proceeds of the bonds were to advance the refund of a 1984 bond issue that had financed two patient care buildings and a surgical complex at the medical center. The 1989 bond issue was also to be used to fund a debt service reserve fund and to pay costs of issuance expenses. Sallie Mae committed to purchase securities in the debt reserve fund up to \$27 million.

Montefiore Medical Center is a 1,321-bed hospital located on two sites. It is a major provider of tertiary level medical services, with a particularly strong demand in obstetrics/gynecology. It is also the teaching hospital for the Albert Einstein College of Medicine, providing medical and clinical education to residents and interns in all the major specialties, including internal medicine, neurosurgery, pathology, and anesthesiology.

Standard & Poor's rated the 1989 Series A bonds AA.

Reclassified Inventory of Sallie Mae's Academic Facility Financing Projects Through December 31, 1991

This appendix contains the listing of projects in Sallie Mae's academic facility financing inventory as of December 31, 1991. Projects are classified into those that Sallie Mae would have approved and those that it would not have approved under the restrictions placed on Sallie Mae's authority by the 1992 Higher Education Amendments.

Sallie Mae officials classified the projects as approved or disapproved in response to our request for the information. We did not verify the accuracy of the classifications with the legislation or its intent.

Facilities Finance Transactions: Educational Facilities

| State | Borrower | Amount (\$millions) | Use | Purpose |
|-------|---|---------------------|-----|---|
| AZ | Mohave Community College | \$1.0 | yes | Classrooms & Labs |
| CA | Cal State University - San Bernadino Foundation | 0.6 | yes | Academic Bldg |
| CA | California Western School of Law | 4.5 | no | Faculty&Admn Offices/Student Union&Services/Bookstore&Parking |
| CA | Harvey Mudd College | 4.0 | yes | Academic Bldg Const. |
| CA | Monterey Institute of International Studies | 2.6 | yes | Academic&Office Bldg,Auditorium Const. |
| CA | Occidental College | 1.6 | yes | Science Bldg Renov |
| CA | San Francisco Conservatory of Music | 1.2 | yes | Recital Hall Renov/HVAC/Property Purchase |
| CA | San Jose State University - Spartan Shops | 1.1 | no | Dining Hall Renov |
| CA | University of California, Irvine | 2.4 | yes | Modular Office Bldgs |
| CA | University of California, Irvine | 3.6 | yes | Modular Office Bldgs |
| CO | University of Denver | 6.0 | no | Student Union & Law School Refin |
| IA | Drake University, Series 1990 | 19.0 | no | Law Library/Athletic Facility Renov |
| IA | Drake University, Series 1992 A & B | 7.7 | no | Tennis Bldg/Admin Hall&Theater Renov |
| IA | Iowa State Memorial Union | 0.2 | no | Student Union Const. |
| IA | Loras College | 3.5 | no | New Student Union and Renovation to Existing Student Center |
| IA | University of Northern Iowa | 1.3 | yes | Boiler(Power Plant) |
| IL | Augustana College | 15.0 | yes | Const.Library |
| IL | Chicago College of Osteopathic Medicine | 20.0 | yes | Purch,Finan & Refin 40 Acres Land w/Academic Bldgs |
| IL | Elmhurst College | 5.0 | yes | Student Services&Admn Bldgs Renov |
| KY | Bellarmino College (Refin. 1992) | 3.0 | yes | Nursing School |
| KY | Georgetown College | 0.6 | yes | Academic Bldg.Renov |
| LA | Dillard University | 3.0 | yes | Fine Arts Bldg Const |
| LA | Louisiana College | 2.5 | yes | Performing Arts Bldg Refin/Auditorium |
| LA | Xavier University | 4.7 | yes | Science Bldg. |
| MA | Albany Street Associates-Boston University | 11.7 | yes | Medical Research Bldg/Admin Offices |

(continued)

**Appendix III
Reclassified Inventory of Sallie Mae's
Academic Facility Financing Projects
Through December 31, 1991**

| State | Borrower | Amount (\$millions) | Use | Purpose |
|-------|--------------------------------------|------------------------|-----|--|
| MA | Assumption College | 10.5 | no | Food Service Bldg Const |
| MA | Assumption College | 5.5 | yes | Student Recreation Bldg Const |
| MA | Bentley College | 0.9 | no | Recreation Facility Renov |
| MA | Boston University | 50.0 | yes | School of Management Administration Bldg |
| MA | Eastern Nazarene College | 3.0 | yes | Library Const |
| MA | Merrimack College | 5.0 | yes | Science/Engineering Center Const |
| MA | New England College of Optometry | 2.6 | yes | Academic & Office Bldgs. Renov |
| MD | Johns Hopkins University | 88.0 | yes | Medical Research Bldg w/Admn Offices |
| MI | Eastern Michigan University | 1.6 | yes | Data processing Equipment |
| MO | Fontbonne College | 2.5 | no | Student Activity Center |
| MO | William Jewell College | 6.5 | yes | Science & Technology Bldg. Const |
| NH | Dartmouth College | 17.2 | yes | Chemistry&Medical School Bldg/Utility Distribution System |
| NY | Cornell University | 30.0 | no | Hotel,Academic Center/Field House Renov & Const |
| NY | Rensselaer Polytechnic Institute | 3.0 | yes | Research Bldgs. |
| PA | Allegheny College | 5.5 | yes | Science Bldg.Const |
| PA | Bucknell University | 7.1 | yes | Science Bldg. Const |
| PA | Gettysburg College | 5.0 | no | Academic Bldgs. & Student Union Renov |
| PA | Kings College | 5.5 | yes | Business School/Boilers |
| PA | Kings College | 0.3 | yes | Parking Lot |
| PA | Ursinus College | 5.0 | yes | Utility Tunnel |
| SD | Augustana College | 0.6 | yes | Electric Generator |
| SD | Dakota Wesleyan University | 1.4 | no | Student Center Renov |
| VA | University of Virginia RE Foundation | 10.0 | no | Hotel & Conf Center |
| VA | Shenandoah University | 2.5 | yes | library |
| VT | Norwich University | 2.5 | yes | Library |
| WA | Gonzaga University | 11.0 | yes | Library,Arts Center Const/Academic Bldg Const/Bldg Purch |
| WA | Seattle University | 8.2 | yes | Nursing Education Center |
| WA | Seattle University | 11.2 | yes | Academic Bldgs. Refin |
| WI | Alverno College | 4.0 | yes | Admn Bldg Renov |
| WI | St. Norbert College | 3.0 | yes | Math/Computer Building |
| WY | Western Wyoming Community College | 19.6 | no | Arts&Hum, Sci&Tech, Phy. Fitness, Classrm, Phy.Plant, Multi-purp BldgsCons/Libr, Gym |
| | | \$454.5 | | |

**Appendix III
Reclassified Inventory of Sallie Mae's
Academic Facility Financing Projects
Through December 31, 1991**

Facilities Finance Transactions: Training Facilities

| State | Borrower | Amount (\$millions) | Use | Purpose |
|--------------|------------------------------|--------------------------------|------------|--|
| MA | Framingham Union Hospital | \$17.0 | no | Cancer Center Const |
| NY | Albany Medical Center | 170.0 | no | Const.2 bldgs,patient care unit,ambulatory care facility,power plant,operating rm,labs |
| NY | Long Beach Memorial Hospital | 45.0 | no | Refin. 1984 issue const emergency room & labs,roof,remove asbestos |
| NY | Nyack Hospital | 47.0 | no | Hospital Bldgs. |
| PA | Doylestown Hospital | 11.5 | no | Hospital Bldg. Structural. Mortar Repair |
| WI | Medical College of Wiscon. | 26.0 | no | Ambulatory Care Unit for MCW & Local Hospitals Const |
| | | \$316.5 | | |

**Appendix III
Reclassified Inventory of Sallie Mae's
Academic Facility Financing Projects
Through December 31, 1991**

Facilities Finance Transactions: Student Housing

| State | Borrower | Amount (\$millions) | Use | Purpose |
|-------|---|------------------------|-----|-------------------------------|
| CA | Cal State Poly University - Pomona Foundation | \$8.1 | yes | Student Housing |
| CA | Cal State Poly University - Pomona Foundation | 3.8 | yes | Student Housing |
| CA | Cal State University - Stanislaus Foundation | 2.0 | yes | Student Housing |
| CA | California Institute of the Arts | 2.5 | yes | Student Housing Refin |
| CA | College of Notre Dame | 0.3 | yes | Student Housing Refin |
| DC | Catholic University | 11.0 | yes | Student Housing Refin |
| DC | Catholic University | 2.7 | yes | Student Housing |
| GA | Shorter College | 1.3 | yes | Student Housing |
| GA | Truett McConnell College | 0.1 | yes | Student Housing Refin |
| KY | Kentucky University System | 41.4 | yes | Student Housing Refin |
| KY | Midway College | 0.6 | yes | Student Housing Renov |
| LA | Xavier University | 2.5 | yes | Student Housing Renov |
| MA | Springfield College | 7.0 | yes | Student Housing Const |
| MA | Western New England College | 9.7 | yes | Student Housing Renov |
| MN | College of St. Benedict | 6.4 | yes | Student Housing Const & Renov |
| NC | Davidson College | 3.0 | yes | Student Housing |
| NY | Sarah Lawrence College | 1.2 | yes | Student Housing |
| NY | Sarah Lawrence College | 0.4 | yes | Student Housing |
| NY | State Street Associates-Cornell University | 7.0 | yes | Student Housing |
| NY | Union Theological Seminary | 9.4 | yes | Student Housing |
| OR | Pacific University | 2.0 | yes | Student Housing Refin |
| PA | Chatham College | 4.0 | yes | Student Housing Renov |
| PA | Dickinson College | 1.8 | yes | Student Housing Renov |
| PA | Gettysburg College | 8.0 | yes | Student Housing Renov |
| PA | St. Joseph's University | 2.3 | yes | Student Housing Refin |
| RI | Roger Williams College | 1.7 | yes | Student Housing Refin |
| RI | Salve Regina College | 0.2 | yes | Student Housing Refin |
| TN | Memphis College of Art | 0.5 | yes | Student Housing Renov |
| WI | Carroll College | 7.0 | yes | Student Housing |
| | | \$147.8 | | |

**Appendix III
Reclassified Inventory of Sallie Mae's
Academic Facility Financing Projects
Through December 31, 1991**

Facilities Finance Transactions: Equipment for Educational Facilities

| State | Borrower | Amount (\$millions) | Use | Purpose |
|-------|---|------------------------|-----|--------------------------------|
| AR | University of Arkansas | \$1.3 | yes | Medical Equipment |
| AZ | Northern Arizona University | 3.8 | yes | Telephone System |
| CA | Cal State University - Long Beach | 2.3 | yes | Telephone System |
| CA | Lawrence Berkeley Laboratory - Univ of Cal. | 6.3 | yes | Telephone System |
| CA | San Diego State University | 6.0 | yes | Telephone System |
| CA | San Francisco State University | 3.7 | yes | Telephone System |
| CA | San Jose State University | 4.8 | yes | Telephone System |
| CA | Sonoma State University | 1.1 | yes | Telephone System |
| CA | University of California, Irvine | 1.9 | yes | Computer-Research |
| CA | University of California- UCLA Medical Center | 10.0 | yes | Medical Equipment |
| CA | University of California- UCLA Medical Center | 10.0 | yes | Medical Equipment |
| CA | University of California, San Diego | 1.9 | yes | Telephone System |
| CA | University of Cal. - San Diego Medical Center | 2.3 | yes | Medical Equipment |
| CA | University of Cal. - San Diego Medical Center | 1.4 | yes | Medical Equipment |
| CA | University of Cal. - San Diego Medical Center | 1.9 | yes | Medical Equipment |
| CO | Colorado College | 1.0 | yes | Telephone System |
| CO | University of Northern Colorado | 1.8 | yes | Telephone System |
| CT | University of Connecticut | 12.6 | yes | Telephone System |
| FL | Pensacola Junior College | 3.5 | yes | Computers-Academic/Academ |
| IA | Iowa Board of Regents | 6.2 | yes | Computers-Variou |
| IA | Iowa State University | 0.7 | no | Lab Equipment&Aircraft for Ad |
| IA | University of Iowa | 0.7 | yes | Lab Equipment-Spectrometer |
| IL | Quincy College | 0.4 | yes | Telephone System |
| IL | Southern Illinois University | 3.9 | yes | Computer-Variou |
| LA | Tulane University | 16.8 | yes | Computers, Furniture, Health C |
| MA | Massachusetts Institute of Technology | 3.5 | yes | Research/Admin Equipment |
| MA | Massachusetts Institute of Technology | 3.0 | yes | Research/Admin Equipment |
| MA | Massachusetts Institute of Technology | 5.2 | yes | Research/Admin Equipment |
| MA | Massachusetts Institute of Technology | 2.1 | yes | Research/Admin Equipment |
| MA | Massachusetts Institute of Technology | 2.0 | yes | Research/Admin Equipment |
| MA | MIT, Lincoln Laboratories | 3.0 | yes | Computers-Admn&Research |
| MA | Merrimack College | 0.8 | yes | Telephone System |
| MA | University of Massachusetts | 0.9 | yes | Medical Equipment |
| MA | University of Massachusetts | 0.7 | yes | Medical Equipment |
| MA | University of Massachusetts | 2.2 | yes | Medical Equipment |
| MA | University of Massachusetts, Amherst | 0.3 | yes | Medical Equipment |

(continued)

**Appendix III
Reclassified Inventory of Sallie Mae's
Academic Facility Financing Projects
Through December 31, 1991**

| State | Borrower | Amount (\$millions) | Use | Purpose |
|-------|---|------------------------|-----|-------------------------|
| MA | University of Massachusetts, Medical Center | 0.4 | yes | Medical Equipment |
| MA | University of Massachusetts, Worcester | 0.5 | yes | Medical Equipment |
| MD | Johns Hopkins University/ Applied Physics Lab | 3.0 | yes | Computer-various |
| MD | University of Maryland | 2.5 | yes | Computer-various |
| MD | University of Maryland | 0.4 | yes | Computer-various |
| MT | Eastern Montana College | 0.4 | yes | Computer-Variou |
| MT | Montana State University | 2.0 | yes | Computer-Variou |
| MT | University of Montana | 1.6 | yes | Computer-Variou |
| NC | East Carolina University | 5.0 | yes | Computer-Research&Admn |
| NC | University of North Carolina | 0.6 | yes | Computer-Academic |
| ND | University of North Dakota | 2.8 | yes | Computer-Academic&Admn |
| NE | University of Nebraska | 0.9 | yes | Computer-Research |
| NV | University of Nevada | 0.2 | yes | Computer-Academic |
| NY | Rockefeller University | 5.0 | yes | Telephone System |
| OH | University of Cincinnati | 0.6 | no | Athletic Score Boards |
| OH | University of Ohio | 3.2 | yes | Telephone System |
| PA | Kutztown University | 2.1 | yes | Telephone System |
| PA | Moravian College | 0.4 | yes | Telephone System |
| PA | Thomas Jefferson University | 6.5 | yes | Medical Equipment |
| PA | Thomas Jefferson University | 5.5 | yes | Medical Equipment |
| TX | University of Texas, Arlington | 0.9 | yes | Computer-Academic |
| TX | West Texas State University | 0.3 | no | Furniture-Student Union |
| UT | University of Utah Hospital | 1.9 | yes | Medical Equipment |
| VA | George Mason University | 0.8 | yes | Computer-Admn |
| WA | Eastern Washington University | 0.1 | yes | Computer-Admn |
| | | \$177.6 | | |

**Appendix III
Reclassified Inventory of Sallie Mae's
Academic Facility Financing Projects
Through December 31, 1991**

Facilities Finance Transactions: Equipment for Student Housing

| State | Borrower | Amount (\$millions) | Use | Purpose |
|--------------|---------------------|--------------------------------|------------|----------------------------------|
| MA | Springfield College | \$1.5 | yes | Telephone System-Student Housing |
| SC | Clemson University | 0.5 | yes | Dormitory Security System |
| | | \$2.0 | | |

**Appendix III
Reclassified Inventory of Sallie Mae's
Academic Facility Financing Projects
Through December 31, 1991**

Facilities Finance Transactions: Two or More Categories

| State | Borrower | Amount (\$millions) | Use | Purpose |
|--------------|--|--------------------------------|------------|---|
| CA | Cal State University - Northridge Foundation | \$6.7 | no | Bookstore & Food Service Facility Const.& Equipment |
| CO | State Colleges of Colorado | 4.8 | no | Student Unions Const./Student Housing Complex Purch. |
| CO | University of Colorado, Series 1991A | 11.0 | no | Athletic Team House Const./Telephone System |
| CO | University of Colorado, Series 1991B & 1991C | 17.5 | yes | Land&Equipment Purch./Academic&Research Bldgs. Const. |
| IA | Drake University, Series 1991 | 1.6 | yes | Computer Equipment Purch./Electric & Phone Service/Student Housing Renov |
| IL | Bradley University | 7.0 | yes | Academic Bldg Renov&Student Housing Const |
| IL | Monmouth College | 1.0 | yes | Academic Bldg, Student Housing Renov & Office Bldg-Windows |
| MA | Boston University | 39.3 | yes | Allied Health Bldg/Student Housing |
| MA | Clark University | 15.6 | no | Student Housing, Student Union. Food Service & Library Refin |
| MA | Mt. Holyoke College | 4.4 | yes | Admn Bldg Renov |
| MD | Johns Hopkins University | 17.5 | yes | Admn & Academic Bldgs. Renov/Student Housing Refin/Space Telescope Facility |
| MN | Gustavus Adolphus College | 3.0 | no | Classrm, Faculty Offices Const, Furnish, Equip/AirCond: Libr, Studt Union, Acad Halls |
| ND | University of North Dakota | 15.8 | yes | Aircraft&Flight Simulators/Training Bldgs.(hangers) |
| NY | Albany Medical College | 1.0 | yes | Medical Equip/Renov. Admn. Space, Research Lab, Clinical Pract&Facility |
| NY | Albany Medical College | 0.6 | yes | Medical Equip/Renov. Admn. Space. Research Lab, Clinical Pract&Facility |
| NY | Buffalo General Hospital | 166.0 | no | Const., Renov., & Equipping patient care areas |
| NY | Ellis Hospital | 99.0 | no | Nursing tower, surgical recovery suite. radiation suite/renov.&demolit.hospital wings |
| NY | Manhattan School of Music | 1.6 | yes | Pianos and Auditorium |
| NY | Montefiore Hospital | 267.0 | no | Const., Renov., Equipping patient care areas. building conversion, refin 2 loans |
| NY | New York University | 99.1 | yes | Med Res Bldg/Student Housing |

(continued)

**Appendix III
Reclassified Inventory of Sallie Mae's
Academic Facility Financing Projects
Through December 31, 1991**

| State | Borrower | Amount (\$Millions) | Use | Purpose |
|--------------|------------------------------|--------------------------------|------------|--|
| PA | Health East | 15.0 | no | Reimburse for capital expenditures,purch.capital equipment,remodeling projects |
| PA | University of Scranton | 19.3 | yes | Library&Student Housing Const |
| PA | Wilkes University | 7.0 | no | Labs Renov/Computer/Student Athletic Center |
| TX | Abilene Christian University | 6.7 | yes | Science Bldg&Student Housing Renov |
| VA | Virginia Wesleyan | 2.5 | no | Dining Facility/Student Housing |
| WA | Pacific Lutheran University | 20.3 | no | Science Bldg Refin/Student Housing,Music Bldg,Student Center Const&Renov/Computers |
| WI | Lakeland College | 0.5 | no | Student Housing & Academic Bldg Renov, Refin |
| WI | Northland College | 0.7 | yes | Student Housing,Maint Bldg Const,Art Bldg Renov |
| WI | Northland College | 0.4 | yes | Student Housing,Maint Bldg Const.,Art Bldg Renov |
| | | \$851.9 | | |

Classification of Sallie Mae's Academic Facilities Financings by School and Project Type

Table IV.1: Sallie Mae's Academic Facility Financings, by Type of School

Dollars in millions

| Type of school | Transactions | | Dollars | |
|--------------------|--------------|---------------|------------------|---------------|
| | Number | Percent | Amount | Percent |
| 2-year public | 3 | 1.60 | \$24.1 | 1.20 |
| 2-year private | 2 | 1.10 | 0.7 | 0.04 |
| 4-year public | 63 | 34.40 | 248.3 | 12.70 |
| 4-year private | 98 | 53.60 | 794.0 | 40.70 |
| Teaching hospitals | 9 | 4.90 | 837.5 | 42.90 |
| Professional | 8 | 4.40 | 45.8 | 2.40 |
| Total | 183 | 100.00 | \$1,950.4 | 100.00 |

Table IV.2: Sallie Mae's Academic Facility Financings, by Type of School and Type of Project

Dollars in millions

| Type of school | Amount by project type | | | | | |
|-------------------|------------------------|---------------------|----------------|---------------------|-------------------|----------------|
| | Education facilities | Training facilities | Housing | Education equipment | Housing equipment | Multiple use |
| 2-year private | \$0.0 | \$0.0 | \$0.7 | \$0.0 | \$0.0 | \$0.0 |
| 2-year public | 20.6 | 0.0 | 0.0 | 3.5 | 0.0 | 0.0 |
| 4-year private | 382.2 | 26.0 | 82.0 | 53.2 | 1.5 | 249.1 |
| 4-year public | 20.8 | 0.0 | 55.3 | 115.9 | 0.5 | 55.8 |
| Teaching hospital | 0.0 | 290.5 | 0.0 | 0.0 | 0.0 | 547.0 |
| Professional | 30.9 | 0.0 | 9.9 | 5.0 | 0.0 | 0.0 |
| Total | \$454.5 | \$316.5 | \$147.9 | \$177.6 | \$2.0 | \$851.9 |

Sallie Mae's Academic Facility Financing Instruments, by Type of Project

| Project Category | Bonds | Leases | Loans | Liquidity agreements | Unknown | Total |
|--------------------------|------------------|------------------|------------------|----------------------|----------------|------------------|
| Educational facilities | 40 | 5 | 8 | * | 3 | 56 |
| Training facilities | 3 | * | * | 3 | * | 6 |
| Student/ faculty housing | 12 | * | 14 | * | 3 | 29 |
| Educational equipment | 6 | 46 | 8 | * | 1 | 61 |
| Training equipment | * | * | * | * | * | ^a |
| Equipment for housing | 1 | 1 | * | * | * | 2 |
| Multiple | 19 | 1 | 5 | 4 | * | 29 |
| Total (percent) | 81 (44.3) | 53 (29.0) | 35 (19.1) | 7 (3.8) | 7 (3.8) | 183 (100) |

*None of Sallie Mae's 183 academic facilities financing transactions fell into this category.

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