Records Retention Policy
Tax Exempt Bond Financings

Effective date: December 11, 2012

Policy Statement
The University funds eligible capital projects through qualified 501(c)(3) tax-exempt bonds (“TEBs”) issued on its behalf as a conduit borrower by The Dormitory Authority of the State of New York or another state or local government agency. The interest paid to holders of TEBs is tax-exempt. TEBs retain their tax-exempt status throughout their life. The tax exemption is subject to compliance by the University with certain federal laws, including laws governing investment, expenditure and use of bond proceeds. This policy provides guidance regarding the retention of records relating to tax-exempt bond financings.

Reasons for Policy
This policy is to ensure compliance with the Internal Revenue Code and IRS regulations requiring that conduit borrowers, among others, retain records to support (i) the exemption taken by the holders of TEBs with respect to interest paid on the bonds, (ii) the information submitted to the IRS by the conduit borrower on TEB related returns and (iii) the conduit borrower’s reliance on safe harbors in the arbitrage regulations relating to investment of earnings on TEB proceeds.

Primary Guidance to which this Policy Responds
This policy primarily responds to the provisions of the Internal Revenue Code and Treasury Regulations governing document retention in connection with TEBs, as well as agreements the University has entered into with DASNY and other government agencies in connection with TEBs issued on behalf of the University.

Responsible University Offices/Officers
Office of the Treasurer
Office of the General Counsel

Revision History
None

Who is Governed by This Policy
The Office of the Treasurer will notify the relevant schools and departments on an annual basis of their record retention responsibilities under this Policy.

This policy applies to all University employees, schools and departments involved in any stage or aspect of any TEB issuance on behalf of the University and/or management or use of TEB-financed facilities or projects, including but not limited to:
• Decision making prior to TEB issuance including with respect to identification of eligible projects and due diligence on environmental and tax aspects of projects
• Issuance of TEBs
• Use of TEB proceeds and timing of use
• Investing of TEB proceeds and arbitrage processes
• Use of property financed by TEBs
• Recording, reporting or documenting use of proceeds, arbitrage, return filings, private use and financial transactions

**Who Should Know this Policy**
All University employees described above should know this policy.

**Policy Text**
It is the policy of the University to retain all required records relating to TEB financings for the period required under the Internal Revenue Code.

**Retention Period**
As of the date of this policy, IRS guidelines require that TEB records be retained until three years after the final redemption date of the TEBs and, in the case of a TEB issue refunded by one or more subsequent issues, until three years after the final redemption of all such TEB issues. The Office of the Treasurer will provide periodic updates on retention periods for specific TEB-financed projects.

**Records that should be Retained**
Records that should be retained include:

• Basic records relating to the TEB transaction, including:
  - Trust indenture
  - Loan agreements
  - Bond counsel opinions

• Documentation evidencing expenditure of TEB proceeds:
  - Construction contracts
  - Certificates of completion
  - Vendor invoices

• Documentation evidencing use of TEB-financed property by public and private sources:
  - Management contracts
  - Leases
  - Sponsored research agreements

• To the extent applicable, documentation evidencing all sources of payment or security for the bonds

• To the extent applicable, documentation pertaining to any investment of bond proceeds, including:
  - Support for purchases and sales of securities
  - State and Local Government Series subscriptions
  - Yield calculations for each class of investments
  - Evidence of income received from the investment of proceeds
  - Guaranteed investment contracts
- Rebate calculations
- Any other documentation material to the particular requirements applicable to a TEB financing

The Office of the Treasurer will provide additional information to schools and departments with respect to the specific categories of TEB records listed above that are applicable to them.

**Format of Records**
TEB records should be kept in a manner that allows for prompt retrieval. TEB records that are kept exclusively in electronic format must be kept in accordance with the IRS guidelines set forth in Rev. Proc. 97-22, which provides requirements for electronic storage of taxpayer records. See also the Records Retention Policy.

**Record Repository**
Beginning in 2013, a central University record repository will be available for retention of certain TEB records. The Office of the Treasurer will periodically provide the relevant employees, schools and departments with information about documents that should be maintained in the repository, as well as training on the use of the repository.

**Contacts**
Questions concerning implementation or compliance with this policy may be directed to: Roberta Edge, Deputy Treasurer, roberta.edge@columbia.edu, (212-854-9691), Jackie Aronson, Assistant Director, Bond Issuance and Compliance, jackie.aronson@columbia.edu, (212-851-9277) or Susan Rushing, Associate General Counsel, skr@gc.columbia.edu, (212-854-0779)

**Cross References to Related Policies**
Records Retention Policy
Post-Issuance Compliance Policy – Tax Exempt Bond Financings