EXECUTIVE VICE PRESIDENT—CHIEF FINANCIAL OFFICER

Delegation of Authority - Administration of University Home Loan Programs

Standing Order of The Regents 100.4 establishes certain Duties of the President of the University. Section 100.4(11) states:

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The President is authorized to take all appropriate action incident to the administration of University home loan programs as approved by The Regents, including (1) receiving and administering promissory notes, mortgages, deeds of trust, grant deeds, and deeds-in-lieu of foreclosure, (2) executing releases and satisfactions of mortgages and requests for reconveyances of deeds of trust when the University home loan program notes secured by such mortgages and deeds of trust have been paid in full or otherwise satisfied, and (3) accepting title to real property through foreclosure, deed-in-lieu of foreclosure, or other similar actions.

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Effective immediately, the above authorities are delegated to you as Executive Vice President—Chief Financial Officer. This authorization includes representing the University in administrative transactions with financial institutions, lenders, and governmental and other agencies in matters related to the day-to-day operations of approved University home loan programs, subject to parameters authorized by The Regents, including consultation with the General Counsel and Vice President for Legal Affairs, as required. The Chief Financial Officer's responsibilities for the University's home loan programs include, but are not limited to, the administration of the periodic sale of all or portions of the Mortgage Origination Program (MOP) and the Supplemental Home Loan Program (SHLP) loan portfolios, in accordance with The Regents' actions of March 14, 2002, and March 20, 2003, including the authority to execute such documents as may be necessary to effect any sale pursuant to the MOP Portfolio Sale Program and the SHLP Portfolio Sale Program.
Both the MOP Portfolio Sale Program and the SHLP Portfolio Sale Program shall be conducted to provide additional funding for future MOP and SHLP loans, within the following parameters authorized by The Regents:

a. Proceeds from the MOP Portfolio Sale Program shall be deposited in STIP [the Short-Term Investment Pool] and be available for additional funding for new mortgage loan originations within the limits already established by The Regents for MOP. MOP loans sold shall be deducted from the total MOP funding provided by STIP. Net proceeds (after expenses) from the SHLP Portfolio Sale shall be returned to the campus designated fund source;

b. If the sale of any portion of MOP results in proceeds less than the outstanding receivables of the MOP loans sold (Par Value), a funding source must be approved by the President (if the funding source is within Presidential control) or by The Regents (if the proposed fund source is not within Presidential control). If the sale of any portion of the SHLP Portfolio results in proceeds less than the outstanding receivables of the SHLP loans sold (Par Value), an appropriate funding source must be approved by the Chancellor of the campus for which the sale is being undertaken to cover any sales discounts and other related transaction costs;

c. No sale of MOP Portfolio loans or SHLP Portfolio loans shall extend the term of any individual MOP or SHLP loan or modify the interest rate to be charged under MOP or SHLP parameters; and

d. Purchasers of MOP or SHLP loans shall have no recourse to Regental funds and shall be repaid only from individual mortgage loan repayments and/or property securing each individual loan, except that any such sale of MOP/SHLP Portfolio loans may include terms that (i) provide for The Regents to make monthly remittances of principal and interest to the purchaser for all loans sold, which are not in arrears in excess of three months, by an agreed time each month, and (ii) provide for the exchanging of any loan sold to the purchaser that becomes non-performing, for more than an agreed to time period, with another MOP/SHLP loan of similar size and characteristics at the same discount rate, if any, that applied to the original loan sale. Any repurchased SHLP loan would be funded from a source approved by the Chancellor of the campus from which the loan originated. Each sale pursuant to the MOP Portfolio Sale Program shall be reported to The
Regents, together with information related to the loans sold, fund source used if the sale results in less than the par value of loans sold, and an update of unused funding for the MOP Program authorized by The Regents. Periodically, sales pursuant to the SHLP Portfolio Sale Program shall be reported to The Regents, such reports to include information related to the loans sold, purchase prices, and summary transaction costs.

This delegation supersedes and replaces the September 7, 1993 delegation to the Senior Vice President—Business and Finance (DA 1099), the April 9, 2003 delegation to the Senior Vice President—Business and Finance (DA 2137), and the December 17, 2009 delegation to the Executive Vice President—Chief Financial Officer (DA 2244), and any redelegations of authority made pursuant to the superseded delegations.

Any redelegation of the above authorities shall be in writing with a copy to the Secretary and Chief of Staff to The Regents and to the Universitywide Policy Office.

Janet Napolitano
President

cc: Chancellors
    Director, Lawrence Berkeley Laboratory
    Members, President’s Cabinet
    Universitywide Policy Office