

UNIVERSITY OF CALIFORNIA

BERKELEY • DAVIS • IRVINE • LOS ANGELES • MERCED • RIVERSIDE • SAN DIEGO • SAN FRANCISCO



SANTA BARBARA • SANTA CRUZ

VIA ALLAN LONG fax from James Maguire

VICE PRESIDENT FOR BUDGET

RECEIVED

OCT 29 2003

BUDGET & RESOURCE  
MANAGEMENT

OFFICE OF THE PRESIDENT  
1111 Franklin Street, 10th Floor  
Oakland, CA 94607-5200  
(510) 987-9101  
(510) 987-0736 FAX

October 23, 2003

VICE CHANCELLOR SPAULDING

Dear Bruce:

**California Institute for Bioengineering, Biotechnology and Quantitative Biomedical  
Research (QB3) Building at Mission Bay  
San Francisco Campus (Project No. 923200)**

I am writing to authorize the transfer of State lease revenue bond and UC external financing ("Garamendi") construction funds for Bid Package No. 3 for the California Institute for Bioengineering, Biotechnology and Quantitative Biomedical Research (QB3) Building at Mission Bay project on the San Francisco campus.

The citation for the State lease revenue bond appropriation is Senate Bill 4xxxx, Chapter 3, Statutes of 2002, Sec. 2(b)(3); the fund code is 00820. The State Pooled Money Investment Board approved interim financing at their meeting of August 21, 2002.

The citation for UC external financing or "Garamendi" funds is State Budget Act of 2001, Chapter 106, Statutes of 2001, Item No. 6440-401; the fund code is 008xx. These funds may be transferred after the Treasurer's Office notifies the campus that funds are available. Please submit a draw-down schedule to the Treasurer's Office within 60 days prior to the date funds are required. Your approved CIB for the project includes costs for financing interest during construction (Line 8, Special Items) of \$3,100,000 and project costs of \$96,900,000, for a total project budget of \$100,000,000. Please note that these two elements of the project budget are separately approved; budgeted financing costs are not automatically available to cover other project costs, and vice versa. Should either the project proper or the project financing require funding in excess of the separately approved budgeted amounts, the campus will need to request approval of a budget augmentation. A form is attached showing the history of approval and authorizations for this project.

2-12A

**VICE CHANCELLOR SPAULDING**

California Institute for Bioengineering, Biotechnology and Quantitative Biomedical  
Research (QB3) Building at Mission Bay

October 23, 2003

Page 2

You are authorized to transfer \$41,814,000 in State lease revenue bond funds and \$28,039,000 in UC external financing (Garamendi) funds from the "Unallocated Balances" account to the plant expenditure ledger (Account No. 923200) for implementation of Bid Package No. 3.

The State lease revenue bond funds must be committed by June 30, 2007 and expended and claimed from the State by June 1, 2009. The UC External financing funds are available for encumbrance and expenditure without regard to fiscal year. However, the intent of the California Institutes for Science and Innovation funding is to complete these facilities and implement the programs at the earliest possible date. As defined by the campus, completion of the building is scheduled for the end of November 2004.

Sincerely,



Larry Hershman  
Vice President for Budget

**Attachment**

cc: Assistant Treasurer Young  
Assistant Vice President Obley  
Director Aull  
Assistant Vice Chancellor Yamauchi  
Assistant Vice Chancellor Vermillion  
Director Jack  
Capital Asset Supervisor Leung  
Plant Accountant Robinson