

## AGENDA

### COMMITTEE ON FINANCE

**Meeting: 9:15 a.m., Wednesday, July 11, 2007**  
**Glenn S. Dumke Auditorium**

William Hauck, Chair  
Glen O. Toney, Vice Chair  
Herbert L. Carter  
Kenneth Fong  
Melinda Guzman  
Raymond W. Holdsworth  
Ricardo F. Icaza  
A. Robert Linscheid  
Jennifer Reimer

#### **Consent Item**

Approval of Minutes of Meeting of May 16, 2007

#### **Discussion Items**

1. Report on the 2007-2008 California State University Support Budget, *Information*
2. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects, *Action*

**MINUTES OF THE MEETING OF  
COMMITTEE ON FINANCE**

**Trustees of the California State University  
Office of the Chancellor  
Glenn S. Dumke Conference Center  
401 Golden Shore  
Long Beach, California**

**May 16, 2007**

**Members Present**

William Hauck, Chair  
Roberta Achtenberg, Chair of the Board  
Herbert L. Carter  
Carol R. Chandler  
Andrew La Flamme  
A. Robert Linscheid  
Charles B. Reed, Chancellor  
Craig R. Smith  
Glen O. Toney

The minutes of March 14, 2007 were approved.

**Report on the 2007-2008 California State University Support Budget**

Trustee Hauck introduced Mr. Patrick J. Lenz, assistant vice chancellor, budget, and asked him to present the report.

Mr. Lenz utilized slides and commentary to update the committee on the state's overall fiscal condition and presented information on the May Revision and its implications for the 2007-2008 CSU Budget.

Some of the highlights of the report included the following:

The governor's May Revision fully funded the Compact for the CSU budget of \$290 million consistent with the January budget that includes a 10 percent student fee increase or \$97.7 million in revenue necessary to support the CSU budget, including funding for financial aid. The May Revision also includes a General Fund augmentation of \$3.6 million to support approximately 340 additional undergraduate nursing students.

The May Revision did not restore the \$7 million in Outreach and Academic preparation programs that was deleted in the Governor's January budget. The Senate Budget Subcommittee on Education has already restored this funding, while the Assembly has yet to take an action.

Mr. Lenz indicated the May Revision clearly reflects the administration's concerns regarding what is going on within the state, the economy, and subsequently the General Fund revenue that might

be available in 2007-2008 to fund their budget priorities. While April tax receipts indicate that the state will meet its 2006-2007 funding projections, it also raises concern that the state will fall short of its 2007-2008 revenue estimates by approximately \$1.6 billion.

Mr. Lenz said that while the CSU is far from being fully funded, the governor's full-funding of the Compact will greatly assist the university in meeting some of its costs. The next steps in the process include conclusion of the legislative hearings and anticipation that the legislature will finish the budget by June 15 in the hope of an on-time signature by the governor on June 30. However, Mr. Lenz indicated that he was not too optimistic about that possibility given the kinds of proposals yet to be considered.

### **Public/Private Partnership for Bakersfield Adventures for the Mind: Children's Museum at California State University, Bakersfield – Conceptual Approval**

Mr. West noted the item was being presented for conceptual approval of a public/private partnership at the CSU, Bakersfield campus. The campus proposes to enter into a long-term ground lease with Bakersfield Adventures of the Mind (BAM), an independent non-profit organization for creation of a children's museum/learning center on the Bakersfield campus.

Dr. Horace Mitchell, president, CSU, Bakersfield, addressed the committee on the importance and educational benefits of the project to both the university and the surrounding community.

He explained the museum is proposed as a 35,000 square foot, \$15 million state-of-the-art facility for children ages twelve and younger. Financing for the museum will come from private funds provided by the Kern County philanthropic community managed by the Kern Community Foundation and Partners, private foundations, and state and federal grants. President Mitchell noted construction of the museum would not begin until the necessary resources are in hand and emphasized no resources would be required of the campus other than providing the land lease at below market rate.

Trustee Hauck asked for assurance that the \$15 million required to build the museum would be raised by BAM. President Mitchell responded BAM was informed the university would not be involved in the fundraising campaign and that the project would not proceed until the necessary resources have been raised.

Trustee Hauck raised several other issues including the source of operating funds for the museum once it is constructed, and the development of a contingency plan should the museum cease to operate for some reason, or fail to generate sufficient operating funds.

President Mitchell acknowledged the trustee's concerns noting the item was being presented for conceptual approval only at this time and that once the lease documents have been developed, he and the campus team will be able to work on the details that encompass his concerns and other areas that may require additional clarification.

The committee recommended approval of the proposed resolution (RFIN 05-07-07).

**Public/Private Partnership for a Charter High School at California State University, Stanislaus – Conceptual Approval**

CSU, Stanislaus has proposed that an Early College Charter High School (Charter School) be constructed on the campus as a partnership between a public charter school entity and the CSU, Stanislaus campus. The curricular and program development for the high school would include collaboration between the Charter School, the CSU, Stanislaus College of Education, and other colleges on campus that offer early college courses.

Mr. West noted the proposal was similar to other high school and elementary school programs currently operating at other CSU campuses. Mr. West proceeded to give a description of the project, financial details, and educational benefits of the program as set forth in the written agenda item.

Dr. Hamid Shirvani, president, CSU, Stanislaus, addressed the committee and presented additional details and information regarding the project.

Trustee Hauck raised the same issues as in the previous item regarding physical and financial operation considerations, and the need for development of a contingency plan(s) in the event of an adverse event that could jeopardize operation of the facility in the future.

Trustee Carter inquired if students would have to pay fees for the college level courses offered at the high school. Dr. Shirvani replied fees would be waived for students in the program taking those courses.

Trustee Chandler asked if there would be opportunities for student teaching for students in the teacher education program at the campus. Dr. Shirvani acknowledged there would be ample opportunities for student teaching.

Trustee Reimer wondered how high school students taking courses on a college campus would interact with the college-level students. Dr. James M. Rosser, president, CSU, Los Angeles, offered his experience with similar facilities that have been operating on the CSU, Los Angeles campus for a number of years. He told the trustee it has been a positive and rewarding experience with little or no conflict among the two student populations.

The committee recommended approval of the proposed resolution (RFIN 05-07-08).

**Public/Private Partnership Project at California State University, Los Angeles with the Alliance for College-Ready Public Schools for a Math and Science Charter High School – Final Approval**

Mr. West introduced the item noting this item and the next, involved two high schools at the CSU, Los Angeles campus; one being for math, and the other for arts.

In September 2006, the Trustees provided conceptual approval for a ground lease to the Alliance for College-Ready Public Schools to build a 34,000 square foot specialized Math and Science charter high school (MASS). The school would house approximately 500 students and be located on the CSU, Los Angeles campus.

Mr. West reviewed the project details as set forth in the written item including the business terms of the ground lease.

Dr. James M. Rosser, president, CSU, Los Angeles, addressed the committee noting the school is currently operating in a temporary space off-campus and is slated to move on campus into another temporary space while construction is underway for the permanent facility. The school is intended to serve the East Los Angeles area and would be a neighborhood school rather than magnet school. Dr. Rosser emphasized the primary focus of the school is to provide access and educational support to relieve some of the pressure on low performing high schools in the surrounding area.

A brief discussion took place in response to Trustee Hauck's query on disposition of the property at the end of the ground lease. President Rosser explained in more detail than presented in the written item, what the university's understanding was with Titan LLC (Lessee). He noted the ground lease and operating agreement contains a provision that the Lessee could mortgage and pledge its ground lease for up to 25 years of a 40 year lease, however it can be used for no other purpose except a math and science charter school.

The committee recommended approval of the proposed resolution (RFIN 05-07-09).

#### **Public/Private Partnership Project at California State University, Los Angeles with Los Angeles County Office of Education for the Los Angeles County High School for the Arts – Final Approval**

Mr. West explained the item was parallel to the prior item. The item requests approval from the trustees to enter into a ground lease and operational agreement with the Los Angeles County Office of Education (LACOE) for the purpose of constructing a facility to accommodate the Los Angeles County High School for the Performing Arts on the CSU, Los Angeles campus.

Mr. West then reviewed the history of the project and the terms of the ground lease and operating agreement as they appeared in the written agenda item.

The committee recommended approval of the proposed resolution (RFIN 05-07-10).

#### **Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects**

The item requested financing for three different projects; the Bakersfield Recreation Center, Sacramento Student Housing, Phase I, and Sonoma Tuscany Village Student Housing. The written agenda item contained a detailed description of each of the projects.

Mr. West noted the bond issuance amount requested for all three projects is approximately \$140 million, and that the long-term bonds will be part of a future Systemwide Revenue Bond sale. In the meantime, funding for the projects will be financed under the CSU's commercial paper program.

The committee recommended approval of the proposed resolution (RFIN 05-07-11).

#### **Approval for California State University, Channel Islands (CSUCI) Financing Authority Item for Faculty/Staff Housing Refinancing – New Resolution**

Mr. West explained this item was a 'cleanup' from one presented to the board in January 2007 in which there were several resolutions involved in refinancing of Channel Islands debt. Specifically, the \$44,500,000 series issued in August 2004 for on-sale campus housing.

The resolution approved by the Trustees did not include authorization for the issuance and sale of Bond Anticipation Notes (BANs), which is required in order to issue commercial paper.

This item recommends approval of a resolution that includes the authorization for the issuance and sale of BANs to support the issuance of commercial paper for the purpose of refinancing CSUCI Financing Authority debt, as was originally intended at the January 2007 Trustees meeting.

The committee recommended approval of the proposed resolution (RFIN 05-07-12).

#### **Approval of Substitution of Loan Guarantor for Construction Loan for the Palm Desert Health Sciences Building**

Mr. West explained the item concerned a request to substitute a loan guarantor for the Palm Desert Health Sciences Building. He then explained the circumstances surrounding the request.

At the January 2007 meeting, the Board of Trustees approved auxiliary financing of \$3.5 million for interim construction financing for the Palm Desert Health Sciences Building.

The project cost is approximately \$14.5 million of which \$11.5 million has been raised by donations. The intent was to continue to raise funds for the remaining \$3.5 million and the action in January 2007 was to recognize that the Berger Foundation would guarantee the loan for any amount that was not financed.

At that time it was indicated in the agenda item that "...the Berger Foundation has agreed to forgive any portion of the loaned funds if donations are not received by the campus in a timely manner to allow for loan repayment."

In the meantime, the Berger Foundation decided to withdraw its offer on the loan guarantee however, it will still honor the interim construction financing loan. Subsequently, the campus has identified Mr. Michael Marix, who has signed an agreement to guarantee the loaned funds up to \$3.5 million.

Trustee Hauck asked about Mr. Marix' background in relation to his ability to guarantee the loan. Dr. Albert K. Karnig, president, CSU, San Bernardino, replied that Mr. Marix is a reputable local developer and has been a good friend and contributor to the university for a number of years. Dr. Karnig assured the committee Mr. Marix' net worth is quite considerable and there would be no problem with his ability to handle the loan.

The committee recommended approval of the proposed resolution (RFIN 05-07-13).

#### **Approval of Standby Letter of Credit for the Cal Poly Pomona Foundation**

Mr. West explained the item was for a short-term foundation funding by the Cal Poly Pomona Foundation for approval to secure an irrevocable standby Letter of Credit for \$7,000,000 from a commercial lender. The letter of credit would support a development agreement entered into with the Olson Company for the construction of 34 units of for-sale housing for Cal Poly Pomona faculty and staff members.

Dr. J. Michael Ortiz, president, Cal Poly Pomona, said the project is intended to provide a service/benefit to campus employees for quality affordable housing. He reviewed the project description and provided additional background on the financial terms for the Letter of Credit.

Trustee Hauck said it looked like a very good project with housing prices that are well below market.

The committee recommended approval of the proposed resolution (RFIN 05-07-14).

#### **Approval of a Loan to Acquire the CalSTRS Property by the Sacramento Campus Auxiliary, University Enterprises, Inc.**

The University Enterprises, Inc., (UEI), the Sacramento campus' auxiliary organization, is seeking approval to secure a loan for up to \$37,000,000 for a term of up to 36 months. The loan will be used to purchase the California State Teachers' Retirement System (CalSTRS) property located adjacent to the campus and to pay any closing costs and due diligence evaluations.

UEI would acquire the property and within 36 months refinance the property with long-term debt, either through the issuance of Systemwide Revenue Bonds or the issuance of its own auxiliary revenue bonds.

He then gave additional details of the project noting that acquisition of this property would further the goals of the campus in several ways including expansion of the campus footprint by an additional 7.7 acres, adding significant office space, and supplementing its current parking inventory.

Mr. West informed the committee that the offer made to CalSTRS by the campus auxiliary has been accepted and due diligence is currently underway. CalSTRS will continue to occupy the building for an additional two years, and during that time, they will cover all debt service and operating expenses. In the long term, the campus expects to have at least 50% of the occupants be other than general funded operations to contribute to the lease payments.

Trustee Hauck asked if that would be sufficient to carry the debt service on the project. Mr. West replied the campus has identified the debt service required and it appears to be manageable and within the projected revenue capacity for the facility.

The committee recommended approval of the proposed resolution (RFIN 05-07-15).

## COMMITTEE ON FINANCE

### **Report on the 2007-2008 California State University Support Budget**

#### **Presentation By**

Richard P. West  
Executive Vice Chancellor and  
Chief Financial Officer

Patrick J. Lenz  
Assistant Vice Chancellor  
Budget

#### **Summary**

The Governor has submitted his “May Revision” of current expenditures and revenues to the legislature to update his 2007-08 state budget proposed on January 10, 2007. The legislature is taking final actions on the 2007-08 state budget as the Senate/Assembly budget conference committee reviews and approves the recommendations of the budget subcommittees. The Board will be advised on the state’s fiscal condition, overall state budget issues, and specific recommendations pertaining to the 2007-08 CSU budget.

#### **2007-08 Support Budget Overview**

In January, Governor Schwarzenegger proposed a total budget of \$131 billion including a \$2.1 billion reserve and a declaration that the budget was balanced assuming no “net operating” budget deficit. The Governor updated his budget in the “May Revision” to reflect new expenditure and revenue assumptions that increased the total budget to \$131.7 billion, which includes a budget reserve of \$2.2 billion and reflects a “net operating” budget deficit of \$1.4 billion. The “May Revise” budget also assumes other changes to the January budget, including an additional \$300 million increase in expenditures (\$1.5 billion total); lower than anticipated revenue by \$1.6 billion; and an additional \$430 million in base budget reductions (\$2.5 billion total).

The state budget continues to assume a reserve of \$2.2 billion and an early prepayment of \$1.6 million for the state’s deficit financing bonds. The legislature could consider funding from the reserve or reducing the early prepayment as revenue options to address some the state budget solutions.

The January and May Revise budget recommendations include a number of expenditure and revenue assumptions that present an overwhelming challenge to the legislature. These include reductions of \$496 million CalWorks programs; \$185 million reduction for the cost-of-living adjustments for the aged, blind, and disabled; and a \$1.1 billion shift of transportation funds to the state General Fund. In addition, the budget now assumes a change in revenue assumptions from the sale of EdFund (\$980 million) a shift of \$600 million from tobacco tax revenue to the state General Fund; and a reduced assumption on Indian gaming revenue from \$506 million in January to \$306 million at the May Revise.

Given the state's overall fiscal condition, the Governor and legislature should be commended for their support of higher education and particularly the CSU budget. The 2007-08 CSU budget has virtually no issues before the conference committee as both houses approved the Compact funding, restored \$7 million in outreach funding, and augmented the CSU budget for K-12 math and science teacher preparation (\$2 million) and nursing programs (\$3.6 million). In addition, the CSU budget includes:

- \$129.5 million for compensation
- \$76.9 million for enrollment growth of 2.5 percent to enroll nearly 11,000 additional students
- \$42 million for mandatory costs (health benefits, new space, energy costs)
- \$38.8 million for student financial aid
- \$9.2 million for long term need (academic technology, libraries, deferred maintenance)

Barring no additional changes, the 2007-08 CSU operating budget will total \$4.3 billion with nearly \$3.0 billion from the state General Fund and \$1.3 billion from fee revenue. This represents an increase of \$302 million or 6.4 percent over the 2006-07 CSU support budget.

## **Conclusion**

The legislature has not concluded their deliberations on the 2007-08 state budget, although the CSU remains hopeful to retain full funding for the Compact plus the K-12 math and science teacher preparation and the nursing program augmentations proposed by the Governor and approved by the legislature. The Board will be presented with the final recommendations on the overall state budget and a detailed accounting of the actions on the 2007-08 CSU budget.

## **COMMITTEE ON FINANCE**

### **Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects**

#### **Presentation By**

Colleen Nickles  
Assistant Vice Chancellor  
Financial Services

#### **Summary**

This item requests the Board of Trustees to authorize the issuance of Systemwide Revenue Bonds and the issuance of interim financing under the CSU's commercial paper program in an aggregate amount not-to-exceed \$125,515,000 to provide funds for three projects. The Board is being asked to approve resolutions relating to these projects. The long-term bonds will be part of a future Systemwide Revenue Bond sale and are expected to bear the same ratings from Moody's Investors Service and Standard and Poor's Corporation as the existing Systemwide Revenue program bonds.

The projects are as follows:

#### **1. Chico Wildcat Activity Center**

In September 2005, the Board of Trustees approved the Amendment of the Non-State Capital Outlay Program for the Chico Wildcat Activity Center project and in July 2006, the Board approved the schematics for the project in its Committee on Campus Planning, Buildings, and Grounds. The project consists of a 130,000 gross square foot recreation center facility located at the southwest corner of the campus. The Wildcat Activity Center will provide a weight and fitness area, three multi-purpose studios for dance and aerobics, an indoor track, gymnasiums, multi-activity court, rock climbing wall, locker rooms, meeting and lounge spaces, administrative offices, and an outdoor aquatics area. In the spring of 2005, the California State University, Chico students voted to support an increase in student body center fees to construct and operate the student recreation center project.

The not-to-exceed par value of the proposed bonds is \$68,430,000 and is based on a project cost of \$62,837,000. At the time the agenda item was written the campus was evaluating bid results identifying a guaranteed maximum price (GMAX) on the CM at Risk project. The project is expected to start construction in July 2007 and be completed in February 2009.

The following table provides information about this financing transaction.

Not-to-exceed amount	\$68,430,000
Amortization	Approximately level over 30 years
Pro-forma maximum annual debt service	\$4,542,811
Projected debt service coverage including the new project: <sup>1</sup>	
Net revenue – All Chico pledged revenue programs:	1.80
Net revenue – Projected for the campus student union program:	1.25

1. Projected information – Combines 2005/06 information for the campus-pledged revenue programs and 2009/10 operations of the project with expected full debt service.

The not-to-exceed amount for the project totaling \$68,430,000, the maximum annual debt service, and the ratios above are based on an expected debt service at the current interest rate plus 50 basis points (computed average coupon of 5.28%, as of June 13, 2007), which provides a modest safeguard to be used if needed for changing financial market conditions that could occur before the permanent financing bonds are sold. The financial plan includes level amortization of debt service, which is the CSU program standard. The campus has submitted a financial plan that has a 1.25 times projected program net revenue debt service coverage, which meets the CSU benchmark of 1.10. The campus combined net revenue debt service coverage from all pledged revenue programs for the campus is projected at 1.80 which exceeds the CSU's 1.35 times debt service campus benchmark.

## 2. East Bay Pioneer Heights Student Housing, Phase III

In May 2007, the Board of Trustees approved the amendment of its non-state capital outlay program and schematics of the project during its Committee on Campus Planning, Buildings, and Grounds. The project consists of a new 472-bed student housing expansion located on the east side of the campus between the main campus and adjacent to Pioneer Heights student housing, Phase II. The project will consist of two four-story residential buildings totaling approximately 126,600 gross square feet with common study rooms, a 2,000 gross square foot support facility, and a dining building. The phase II project received a favorable recommendation from the Housing Proposal Review Committee in March 2007.

The not-to-exceed par value of the proposed bonds is \$51,670,000 and is based on an estimated project cost of \$47,441,000. The project delivery method is design-bid-build. The campus received good construction bids in June 2007. The project is scheduled to begin construction in July 2007 and be completed in March 2009.

The following table provides information about this financing transaction.

Not-to-exceed amount	\$51,670,000
Amortization	Approximately level over 30 years
Pro-forma maximum annual debt service	\$3,430,810
Projected debt service coverage including the new project: <sup>1</sup>	
Net revenue – All East Bay pledged revenue programs:	1.32
Net revenue – Projected for the campus housing program:	1.10

1. Projected information – Combines 2005/06 information for the campus-pledged revenue programs and 2009/10 operations of the project with expected full debt service.

The not-to-exceed amount for the project totaling \$51,670,000, the maximum annual debt service, and the ratios above are based on an expected debt service at the current interest rate plus 50 basis points (computed average coupon of 5.28%, as of June 13, 2007), which provides a modest safeguard to be used if needed for changing financial market conditions that could occur before the permanent financing bonds are sold. The financial plan includes level amortization of debt service, which is the CSU program standard. The campus has submitted a financial plan that has a 1.10 times projected program net revenue debt service coverage, which meets the CSU benchmark of 1.10. The campus combined net revenue debt service coverage from all pledged revenue programs for the campus is projected at 1.32 which is slightly below the CSU’s 1.35 times debt service campus benchmark.

**3. Stanislaus – Auxiliary & Business Services (ABS) University Bookstore Project**

The Board of Trustees previously approved an amendment to the Non-State Funded Capital Outlay program and schematic plans for the University Bookstore Project (the “Project”). Auxiliary & Business Services (“ABS”), an auxiliary organization in good standing, will construct a new bookstore (12,900 GSF/9,396 ASF) that is nearly double the size of the existing bookstore. The current bookstore operation, located in the Student Union building, has proven to be inadequate in meeting the needs of a growing student population. The new bookstore will offer more shelf and storage space for textbooks and non-textbook items, including clothing, gifts, and supplies. Moreover, it will free up valuable space in the Student Union to accommodate various student activities and programs.

Total Project cost is estimated at \$5,587,150, of which \$775,000 will be provided by a private contribution by the bookstore operator Barnes and Noble for interior capital improvements (\$475,000) and Group II equipment (\$300,000), and the remainder will be provided by the

proposed bonds at the not-to-exceed par amount of \$5,415,000. At the time of this writing, construction bids were expected on June 29, 2007, with construction to begin in October 2007 and to be completed in August 2008.

The interest on the proposed bonds will not be federally tax-exempt due to private activity planned for the management and operation of bookstore. Under the existing Contracted Bookstore Management Agreement, ABS has granted Barnes and Noble the exclusive right to manage and operate the bookstore in exchange for annual compensation paid by Barnes and Noble to ABS. The bonds will be secured by ABS' general obligation pledge of all available unrestricted revenues, and will be on parity with its existing debt. The bonds will be amortized over 30 years based on level debt service repayments, with a maximum annual debt service of \$434,000. Bond debt service repayments will be equivalent to the lease rental payments ABS (Lessee) is required to pay CSU Stanislaus (Lessor) pursuant to a Ground and Facility Lease of the new bookstore. Based on the financial plan, the auxiliary demonstrates adequate coverage of 1.25 times debt service, thus satisfying the CSU benchmark for auxiliary projects. The bond par amount was based on an average taxable coupon of 7.00% (as of June 13, 2007), reflective of market scale plus 50 basis points as a cushion to account for any market fluctuations that could occur before the permanent financing bonds are sold.

### **Trustee Resolutions and Recommended Action**

Orrick, Herrington & Sutcliffe LLP, as bond counsel, is preparing a set of resolutions to be presented at this meeting for the projects described in this agenda item that authorize interim and permanent financing. The proposed resolutions will be distributed at the meeting and will achieve the following:

1. Authorize the sale and issuance of Systemwide Revenue Bond Anticipation Notes and the related sale and issuance of the Trustees of the California State University Systemwide Revenue Bonds in an amount not-to-exceed \$125,515,000 and certain actions relating thereto.
2. Provide a delegation to the Chancellor; the Executive Vice Chancellor and Chief Financial Officer; the Assistant Vice Chancellor, Financial Services; and the Senior Director, Financing and Treasury; and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.

Approval of the financing resolutions for the projects as described in Agenda Item 2 of the Finance Committee at the July 10-11, 2007 meeting of the CSU Board of Trustees is recommended for:

**Chico Wildcat Activity Center**

**East Bay Pioneer Heights Student Housing, Phase III**

**Stanislaus – Auxiliary & Business Services (ABS) University Bookstore Project**