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Erika K. Herz
Director of Intellectual Capital

**BATTEN INSTITUTE FOR ENTREPRENEURSHIP
AND INNOVATION**

May 22, 2015

Association for the Advancement of Sustainability in Higher Education
1536 Wynkoop Street, Suite 100
Denver, CO 80202

Re: STARS Innovation Credit

Dear AASHE STARS Steering Committee:

The purpose of this letter is to affirm my belief that the green bonds financial mechanism described by the University of Virginia (U.Va.) as one of our STARS Innovation Credits meets the criteria for STARS Innovation Credits. We believe that this is the largest such sustainable bonds issuance by a U.S. university. Not only do these green bonds help attract a greater diversity of investors, such as those committed to meeting social and environment criteria, but also they help finance sustainable projects, including LEED-certified buildings. Additionally, this bond strategy furthers social sustainability and equity within our school by supporting *Affordable Excellence at U.Va.*, which enables affordable education for students, partially by reducing the amount of student debt incurred.

As Director of Intellectual Capital at the Batten Institute for Entrepreneurship and Innovation, and former Associate Director of Sustainability Programs at the Darden School of Business, I have experienced both the difficulties inherent in financing sustainability-oriented projects, and the critical importance of solid financial analysis in implementing Darden's sustainability actions.

U.Va.'s issuance of green bonds illustrates an innovative financial model to support sustainability progress, which could be easily replicated at other colleges and universities. We look forward to sharing our results.

Thank you.

Warm regards,

A handwritten signature in black ink that reads "Erika K. Herz". The signature is written in a cursive, flowing style.

Erika K. Herz