

# CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

2008 ANNUAL REPORT



**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**

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**MEMBERS:**

Bill Lockyer, Chairperson  
*State Treasurer*

John Chiang, Vice Chairperson  
*State Controller*

Michael C. Genest, Director  
*Department of Finance*

Sylvia Scott-Hayes

Michael L. Jackson

**EXECUTIVE DIRECTOR:**

Barbara J. Liebert

March 31, 2009

Dear Colleague:

I am pleased to present to you the 2008 California Educational Facilities Authority (“CEFA” or “Authority”) annual report. Established in 1973, the Authority continues to serve as a conduit issuer of tax-exempt bonds on behalf of California independent colleges and universities. As of December 31, 2008, the Authority has issued more than \$8.6 billion in tax-exempt bonds, which has enabled our borrowers to realize their capital and financing objectives.

The annual report highlights the Authority’s activity for the 2008 calendar year. In total, the Authority approved 17 applications and closed 14 financings, issuing more than \$915.8 million in bonds.

The success of the Authority is made possible by the hard work and dedication of its Board Members and staff. The Authority continues to serve as a valuable resource by assisting higher educational institutions in expanding educational opportunities for all California students and their families.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Liebert", written over a circular stamp or watermark.

Barbara J. Liebert  
Executive Director

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**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY  
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**THE AUTHORITY**

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The California Educational Facilities Authority (“CEFA” or “Authority”) was established in 1973 and operates pursuant to the California Educational Facilities Authority Act (the “CEFA Act”), as set forth in sections 94100-94216.11 of the California Education Code.

CEFA was created for the purpose of issuing revenue bonds to assist private nonprofit institutions of higher learning in the expansion and construction of educational facilities. Because it is authorized to issue tax-exempt bonds, the Authority may be able to provide financing terms that are more favorable to private institutions than might otherwise be available through commercial lenders or other taxable debt instruments.

The CEFA Act explicitly states that bonds issued by the Authority shall not be a debt, liability, or claim on the faith and credit or the taxing power of the State of California, or any of its political subdivisions. The full faith and credit of the participating institution is normally pledged to the payment of the bonds.

**Authority Members**

Bill Lockyer	<i>Chairman, California State Treasurer</i>
John Chiang	<i>California State Controller</i>
Michael C. Genest	<i>Director, California Department of Finance</i>
Sylvia Scott-Hayes	<i>Trustee, Los Angeles Community College District Board</i>
Michael L. Jackson	<i>Vice President, Student Affairs, University of Southern California</i>

**CEFA PROGRAMS**

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**Bond Financing** – This program provides borrower access to low interest rate capital markets through the issuance of tax-exempt bonds. Given the cost of issuing bonds, this is the option most often pursued by borrowers with capital projects financing needs in excess of \$5 million. Colleges or universities with more modest financing needs may be grouped or “pooled” by CEFA into a single bond financing, allowing bond issuance costs to be shared by the pool participants.

**Simplified Equipment Financing Program (“SEFP”)** – Designed as a simple, economical, fast, and practical way for nonprofit colleges and universities to finance a broad range of essential equipment needs, the SEFP can be used to fund qualifying purchases of \$100,000 or more. Qualifying purchases include, but are not limited to, computer hardware and software, classroom furnishings and laboratory equipment, vehicles, communication systems, heating, air-conditioning, ventilation, and other energy-efficient projects. CEFA does not charge an application fee for this program and the financing terms generally range from 3 to 15 years with flexible repayment terms.

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**CEFA PROGRAMS -cont-**

**Student Loan Programs** - In the late 1990s, CEFA developed two fixed interest rate student loan programs. Bonds were issued in 1997 and 2001 for the Cal Loan Program, which offered financial needs-based loans. In 1998, bonds were issued for the Cal Edge Loan Program, which offered credit-based loans.

As the market for student loans shifted from higher fixed interest rates to lower variable rate interest rates, demand for both of the programs declined significantly, resulting in no new loan originations in 2008. Currently, the administrator, trustee and servicer continue in their roles as students repay their outstanding loans. Meanwhile, CEFA continues to explore viable student loan opportunities to further assist college students and their families in financing the costs of attending college.

**Academic Assistance Grant Program (AAGP)** – Chapter 1081, Statutes of 2002 (Senate Bill 1624 – Romero) authorized CEFA to develop a competitive grant program to assist eligible private colleges and universities in creating and expanding academic assistance programs that enhance postsecondary educational opportunities for low income and very-low income California students in grades 7-12. The goal of the AAGP is to promote access to higher education and prepare students for college. The AAGP was limited to a total of \$2 million with a cap of \$250,000 per applicant to be disbursed over a three-year period. Nine schools were awarded grants, with the first disbursement of grant funds in 2006. Final disbursements were made in July of 2008.

As part of the on going monitoring of the program, all nine colleges and universities submitted updated status reports in September 2008 as required. Review of the reports showed all schools were promoting successful programs that met the goal of providing access to higher education and preparing under-represented students for college. A final comprehensive report from the participating schools regarding the program is required at the end of the next fiscal year.

The following table provides a summary of the grant disbursements to date.

School	Total Amount Awarded	Calendar Year		
		Disbursed 2006	Disbursed 2007	Disbursed 2008
California College of the Arts	\$ 160,000	\$53,333	\$53,333	\$ 53,334
California Institute of Technology	249,872	83,291	83,291	83,290
Loyola Marymount University	250,000	71,500	83,500	95,000
Mount St. Mary's College	240,000	80,000	80,000	80,000
Pomona College	250,000	83,333	83,333	83,334
Scripps College	189,313	94,657	94,656	0
Stanford University	160,000	53,333	53,333	53,334
University of Southern California	248,858	82,953	82,953	82,952
University of the Pacific-McGeorge	250,000	83,333	83,333	83,334
Total	<u>\$1,998,043</u>	<u>\$685,733</u>	<u>\$697,732</u>	<u>\$614,578</u>

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**California College of the Arts** – The College established a new program in partnership with the East Oakland School of the Arts. The College utilized grant funding for a mentorship program focusing on incoming 9<sup>th</sup> grade students.

**California Institute of Technology** – The Institute administers the Caltech Rise program, a math and science tutoring program for Pasadena Unified School District students. The Institute used the grant to expand the tutoring program.

**Loyola Marymount University** – The University offers the Science and Engineering Community Outreach Program, a campus-based academic assistance program for low income and under-represented high school students. The grant was used to increase the number of high school participants in the program.

**Mount St. Mary's College** – The College dedicated their award to expanding their Student Ambassador Program. The program utilizes Mount St. Mary's students, who serve as peer counselors and mentors in the communities in which they grew up and in their former high schools.

**Pomona College** – The College operates the Summer Scholars Enrichment Program, an academically intensive, four-week summer program for students in grades 9-12. The grant was used to increase the number of low-income student participants, to enhance academic assistance services at the program's Saturday Academy, and to expand bi-lingual seminars and workshops to improve family/parental involvement.

**Scripps College** – The College utilized their funding for its Summer Academy Program. Scripps created a Saturday Academy to provide a monthly writing course, and "College Clubs" at select middle schools in order to increase college awareness and preparation. They also established mobile homework support centers.

**Stanford University** – The University's program complements Stanford's Medical Youth Science Program by offering college-mentoring services for students and their families. The summer program curriculum has been expanded to include seminars on financial aid, college entrance, and SAT/ACT preparation.

**University of Southern California** – The University established a program to assist college-ready 12<sup>th</sup> graders from nine different Los Angeles area high schools. The overall program objectives are to increase the percentage of college applications by 20%, to increase the percentage of student admissions to four-year colleges by 10 to 20%, and to increase reading and writing scores on the college preparatory exam by one grade level.

**University of the Pacific - McGeorge** – The University used the grant funds for its Pacific Pathways Pipeline Program, which provides academic assistance, mentoring, academic enrichment and guidance for students grades K-12. The program exposes participants to law students, lawyers, judges and issues relating to justice and civic responsibility.

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**2008 LEGISLATIVE CHANGES**

**Chapter 211, Statutes of 2008 (Assembly Bill 1479 – Mendoza)** –In part, this bill authorized the California Educational Facilities Authority the power to delegate duties to the executive directors or any other official or employee of the Authority any powers or duties deemed appropriate, including, but not limited to, the power to enter into contract and which are adopted by resolution.

**SUMMARY OF 2008 CALENDAR YEAR FINANCINGS**

In 2008, the Authority authorized \$1,725,600,000 in bond financings for 14 California colleges and universities which resulted in the issuance of \$615,860,000 in bond financings for 10 institutions and the authorization of \$300,000,000 in Tax-Exempt Commercial Paper. The following table provides a summary of all CEFA bond issues that closed in 2008.

School	Amount Issued	Closing Date	Sr. Manager(s)
Occidental College, Series 2008	\$ 20,000,000	03/06/08	Banc of America Securities LLC
University of La Verne, Series 2008	22,500,000	03/27/08	Prager, Sealy & Co., LLC
Stanford university, Series T-4	172,410,000	05/15/08	Goldman, Sachs & Co./Morgan Stanley
Stanford University, Tax-Exempt Commercial Paper Program	300,000,000	05/15/08	Goldman, Sachs & Co./Morgan Stanley
University of Redlands, 2008 Series A	21,125,000	05/22/08	Wedbush Morgan Securities/ E.J. De La Rosa & Co.
Pomona College, Series 2008 A	59,475,000	06/05/08	Wedbush Morgan Securities/ E.J. De La Rosa & Co.
Pomona College, Series 2008 B	34,025,000	06/25/08	Wedbush Morgan Securities/ E.J. De La Rosa & Co.
Chapman University, 2008 Series A	53,515,000	07/02/08	Banc of America Securities LLC
Chapman University, 2008 Series B	21,665,000	07/02/08	Banc of America Securities LLC
Chapman University, 2008 Series C	13,705,000	07/02/08	Banc of America Securities LLC
California Lutheran University, Series 2008	38,060,000	07/31/08	Prager, Sealy & Co., LLC
Claremont Graduate University, 2008 Series A	15,000,000	08/21/08	Wedbush Morgan Securities
Loyola Marymount University, Series 2008	71,895,000	12/11/08	Morgan Stanley
Santa Clara University, Series 2008	72,485,000	12/11/08	Banc of America Securities LLC
<b>TOTAL</b>	<b>\$ 915,860,000</b>		

**Occidental College, Series 2008 - \$20,000,000** – Bond proceeds were used to upgrade and renovate on campus student housing (Erdman Hall, Wylie Hall and Bell-Young Hall dormitories) and related parking and infrastructure improvements. These projects addressed the life safety, exiting and ADA compliance requirements.

**University of La Verne, Series 2008 - \$22,500,000** – Bond proceeds were used to fund major capital improvement projects to add new student-oriented facilities, relocate athletic fields and upgrade existing plant assets. The projects were funded by a combination of debt, capital campaign donations and University capital reserves.

**Stanford University, Series T-4 - \$172,410,000** - Bond proceeds were used to refinance a portion of the University’s 2007 Series T-2 Auction Rate Securities bonds. Changes in the Auction Rate Securities market made it necessary for the University to quickly refund their debt to extricate themselves from untenable debt service obligations. T-4 bonds were issued as Term Bonds bearing interest rates of 4% and 5%.

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY  
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**SUMMARY OF 2008 CALENDAR YEAR FINANCINGS -cont-**

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**Stanford University, Tax Exempt Commercial Paper Program (TECP)** – Stanford University intends to use tax-exempt commercial paper notes to support various capital expenditures and improvements within the University. Plans include a new graduate residence, student services buildings, as well as other stores and new buildings that will feature food services, convenience stores, conference and meeting rooms and administrative space. The project will also consist of renovations and infrastructure improvements of existing facilities. The TECP program is authorized up to \$300,000,000 in tax-exempt commercial paper outstanding.

**University of Redlands, 2008 Series A - \$21,125,000** - Bond proceeds were used to construct a new Center of the Arts building (which includes expansion of the Glen Wallichs Theatre), make infrastructure improvements to the University's Energy Center, and renovate the University's Armacost library. The Center for the Arts and the expansion of the Glen Wallichs Theatre will be built to LEED "silver" certification standards and the infrastructure improvements will reduce the campus' carbon emission footprint by approximately 30%.

**Pomona College - \$59,475,000 Series 2008 A, \$34,025,000 Series 2008 B** - Bond proceeds were used to finance the construction of two new residence halls, the construction and replacement of parking structures, the renovation of several campus buildings and various improvements to their athletic fields. The projects incorporated a large number of sustainable design principles and the College was seeking Gold LEED certification.

**Chapman University, \$53,515,000 Series A, \$21,665,000 Series B, \$13,705,000 Series C** – The bond proceeds of the Series A bonds and Series B Bonds were used to current refund the outstanding CEFA 2005 Series A Bonds and CEFA 2005 Series B Auction Rate Security Bonds. The Series C bonds were used to current refund the outstanding CEFA Series 1996 Bonds and repay two outstanding taxable loans. The bonds were issued with a daily variable interest rate and it is expected to result in a present value savings of approximately \$15.5 million over the life of the bonds.

**California Lutheran University, Series 2008 - \$38,060,000** – Bond proceeds were used to finance the construction, renovation and acquisition of several projects, which included a residence hall, cafeteria, academic building and a radio station. The University seeks LEED Silver Certification for the new residence hall and academic building and plans include incorporating several energy-efficient and environmentally-beneficial designs and materials. Additionally, the University refunded the taxable CEFA Series 2004B bonds, which allowed the University to restructure its long-term debt. These bonds were issued with fixed interest rates ranging from 3% to 6%.

**Claremont Graduate University, 2008 Series A - \$15,000,000** – Bond proceeds were used to finance the renovation and upgrade of several facilities throughout campus and to purchase real estate in order to relocate an existing academic department. The University plans to incorporate several energy-efficient and environmentally beneficial designs and materials into their projects. In addition, the University refinanced a variable rate loan converting it to a fixed rate structure for the Provost House. The bonds were issued with fixed interest rates ranging from 3.50% to 6%.



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**SUMMARY OF 2008 CALENDAR YEAR FINANCINGS -cont-**

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**Loyola Marymount University, Series 2008 - \$71,895,000** – Bond proceeds were used to refinance a taxable line of credit that was used to redeem all of the outstanding CEFA 2001B and CEFA 2004 bonds. These bonds experienced failed auctions and exposed the university to interest rates far above market levels. This refinancing provided the University with a more affordable and stable interest rate structure. The bonds were issued as a variable rate demand revenue bond which returned the University to a long-term variable rate debt structure.

**Santa Clara University, Series 2008 - \$72,485,000** – Bond proceeds were used to refinance a taxable line of credit that was used to refund CEFA Series 2002B and 2006 bonds. The line of credit was used as interim financing to relieve the University from failed auctions and provided an estimated savings of approximately \$5 million. The bonds were issued with fixed interest rates ranging from 4% to 5.625%.

**CEFA PORTFOLIO**

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As of December 31, 2008, the Authority had 130 outstanding bond issues totaling \$3,929,925,129. A complete listing of the outstanding bond issues through fiscal year 2007-08 is provided on page 20 of the attached Independent Auditor's Report (Appendix A).

**CEFA FINANCIAL STATEMENTS**

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Appendix A includes a complete copy of the California Educational Facilities Authority's June 30, 2008 and 2007 Independent Auditor's Report as prepared by Gilbert Associates, Inc., Certified Public Accountants of Sacramento, CA.

**AUTHORITY STAFF**

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The Authority staff and contact information is provided in Appendix B.

**CALIFORNIA EDUCATIONAL  
FACILITIES AUTHORITY**

**FINANCIAL STATEMENTS WITH  
INDEPENDENT AUDITOR'S REPORT**

**YEARS ENDED  
JUNE 30, 2008 AND 2007**

# CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

JUNE 30, 2008 AND 2007

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## **INDEPENDENT AUDITOR'S REPORT**

**CEFA Members**  
**California Educational Facilities Authority**  
**Sacramento, California**

We have audited the accompanying financial statements of the California Educational Facilities Authority (CEFA), a fund of the State of California, as of and for the fiscal years ended June 30, 2008 and 2007, as listed in the table of contents. These financial statements are the responsibility of CEFA's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only CEFA and do not purport to, and do not, present fairly the financial position of the State of California, as of June 30, 2008 and 2007, and the changes in its financial position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements, referred to above present fairly, in all material respects, the financial position of CEFA as of June 30, 2008 and 2007, and the changes in financial position, and cash flows, thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise CEFA's basic financial statements. The additional information, as described in the table of contents, is presented for the purpose of additional analysis and is not a required part of the financial statements. The additional information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

*Gilbert Associates, Inc.*

**GILBERT ASSOCIATES, INC.**  
**Sacramento, California**

**October 9, 2008**

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**

**BALANCE SHEETS**

**JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash & Investments in State Treasury	\$ 12,017,952	\$ 12,862,669
Cash & Investments with Fiscal Agent	10,071,171	7,879,334
Accounts Receivable	5,109,932	6,184,649
Due from Other External Funds	96,013	167,031
Prepaid Expenses	29,519	35,679
Other Assets	16,630	20,691
Deferred Charges	<u>23,068</u>	<u>24,564</u>
Total Current Assets	<u>27,364,285</u>	<u>27,174,617</u>
<b>NON-CURRENT ASSETS:</b>		
Investments with Fiscal Agent	1,868,832	1,694,377
Accounts Receivable (Net)	15,914,887	19,451,740
Deferred Charges (Net)	<u>303,131</u>	<u>356,020</u>
Total Non-Current Assets	<u>18,086,850</u>	<u>21,502,137</u>
<b>TOTAL ASSETS</b>	<u>\$ 45,451,135</u>	<u>\$ 48,676,754</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts Payable	\$ 34,813	\$ 49,612
Accrued Vacation	54,019	102,600
Accrued Arbitrage	12,259	29,458
Accrued Expenses	746,194	772,343
Due to Other External Funds	22,636	7,254
Other Liabilities	<u>214,861</u>	<u>228,683</u>
Total Current Liabilities	<u>1,084,782</u>	<u>1,189,950</u>
<b>NON-CURRENT LIABILITIES:</b>		
Bonds Payable	30,315,000	32,275,000
OPEB Obligation	48,000	
Participant Collateral Accounts	<u>270,000</u>	<u>270,000</u>
Total Non-Current Liabilities	<u>30,633,000</u>	<u>32,545,000</u>
<b>TOTAL LIABILITIES</b>	<u>31,717,782</u>	<u>33,734,950</u>
<b>NET ASSETS</b>		
Restricted for Educational Purposes	<u>13,733,353</u>	<u>14,941,804</u>
Total Net Assets	<u>13,733,353</u>	<u>14,941,804</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 45,451,135</u>	<u>\$ 48,676,754</u>

The accompanying notes are an integral part of these financial statements.

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEARS ENDED JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
<b>OPERATING REVENUES</b>		
Interest Income on Student Loans	\$ 2,152,584	\$ 2,501,852
Fee Revenue	<u>646,212</u>	<u>614,102</u>
Total Operating Revenues	<u>2,798,796</u>	<u>3,115,954</u>
<b>OPERATING EXPENSES</b>		
Salaries and wages	354,851	445,497
Operating Expenses	1,824,798	5,159,932
Grant Expense	<u>1,312,310</u>	<u>                    </u>
Total Operating Expenses	<u>3,491,959</u>	<u>5,605,429</u>
<b>OPERATING LOSS</b>	(693,163)	(2,489,475)
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest Income on Investments	1,164,375	1,200,145
Interest Expense	(1,696,781)	(1,877,299)
Arbitrage Expense	<u>17,118</u>	<u>(8,600)</u>
<b>CHANGE IN NET ASSETS</b>	(1,208,451)	(3,175,229)
<b>NET ASSETS</b>		
NET ASSETS, Beginning of Year	<u>14,941,804</u>	<u>18,117,033</u>
NET ASSETS, End of Year	<u>\$ 13,733,353</u>	<u>\$ 14,941,804</u>

The accompanying notes are an integral part of these financial statements.

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**

**STATEMENTS OF CASH FLOWS**

**YEARS ENDED JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Principal Repayments from Students	\$ 4,311,979	\$ 4,093,862
Interest Receipts from Student Loans	1,655,175	2,223,290
Receipts from Fees	643,212	612,602
Payments to Employees	(355,432)	(403,188)
Operating Expenses Paid	(976,409)	(1,155,093)
Grants Paid	<u>(1,312,310)</u>	<u>                    </u>
Net Cash Provided by Operating Activities	<u>3,966,215</u>	<u>5,371,473</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Interest Paid on Bonds Payable	(1,720,033)	(1,955,708)
Payment on Bonds Payable	<u>(1,960,000)</u>	<u>(3,955,000)</u>
Net Cash Used by Noncapital Financing Activities	<u>(3,680,033)</u>	<u>(5,910,708)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Receipts from Investments	1,235,393	1,180,616
Proceeds from the Sale of Investments	<u>(174,455)</u>	<u>314,886</u>
Net Cash Provided by Investing Activities	<u>1,060,938</u>	<u>1,495,502</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	1,347,120	956,267
<b>BEGINNING CASH AND CASH EQUIVALENTS</b>	<u>20,742,003</u>	<u>19,785,736</u>
<b>ENDING CASH AND CASH EQUIVALENTS</b>	<u>\$ 22,089,123</u>	<u>\$ 20,742,003</u>
<b>RECONCILIATION OF NET LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating Loss	\$ (693,163)	\$ (2,489,475)
<b>ADJUSTMENTS TO RECONCILE NET LOSS TO NET CASH PROVIDED BY OPERATIONS:</b>		
Amortization, Non-Cash	54,385	81,380
(Increase) Decrease in:		
Accounts Receivable	3,811,571	3,816,383
Allowance for Uncollectible Accounts	799,999	3,924,613
Due to/from Other External Funds	15,382	4,051
Prepaid Expenses	6,160	3,513
Other Assets	4,061	(4,531)
Increase (Decrease) in:		
Accounts Payable	(14,799)	(8,285)
Accrued Vacation	(48,581)	42,309
Accrued Expenses	(2,978)	(3,375)
OPEB Obligation	48,000	
Other Liabilities	<u>(13,822)</u>	<u>4,890</u>
Net Cash Provided by Operating Activities	<u>\$ 3,966,215</u>	<u>\$ 5,371,473</u>

The accompanying notes are an integral part of these financial statements.

# CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008 AND 2007

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. GENERAL

The California Educational Facilities Authority (CEFA) was created by Chapter 1432, Statutes of 1972, which became effective March 7, 1973, and was subsequently amended. Legislation pertaining to the Act is contained in Division 10, Part 59, Chapter 2 of the Education Code commencing with Code Section 94100. Effective January 1, 1996, legislation was passed to consolidate the California Student Loan Authority (CSLA) with CEFA. The Student Loan Authority Fund and the Educational Facilities Authority Fund are maintained within CEFA and the combined balance sheet and results of operations and cash flows are presented in these financial statements.

CEFA was created for the purpose of issuing revenue bonds to assist private non-profit institutions of higher learning in the expansion and construction of educational facilities. Because it is authorized to issue tax-exempt bonds, CEFA may provide more favorable financing to such private institutions than might otherwise be obtainable. The provisions of Assembly Bill 89, Section 94153 of the Education Code has been repealed thereby deleting the limitation of the total amount of bonds authorized to be outstanding at any time.

The law specifically provides that bonds issued under the Act shall not be a debt, liability or claim on the faith and credit or the taxing power of the State of California, or any of its political subdivisions. The full faith and credit of the participating institutions, however, is normally pledged to the payment of the bonds. Bonds are issued at either public or private sales after details of the proposed project and satisfactory evidence of the ability of the participating institution to meet financial obligations have been submitted to CEFA.

The CSLA was originally established for the primary purpose of financing federally insured student and parent loans directly to students. Following the consolidation with CEFA, CEFA is authorized to issue negotiable revenue bonds in order to provide funds for achieving its purposes and to assign and pledge all or any portion of its interests in federally insured loans or the revenue therefrom for the benefit of holders of CEFA's bonds. Neither the faith and credit nor the taxing power of the State of California or its political subdivisions is liable for payment of the debt of the CEFA.

CEFA's authority has been expanded to include the financing of student loans. Students attending both public and private non-profit colleges and universities are eligible. In 1997, the first bond issuance under this program funded the Cal Loan Program to enable students to borrow defined amounts if basic student aid is insufficient to cover expenses. \$30,260,000 in tax-exempt bonds were issued, enough to finance approximately 9,000 loans. The bonds were payable out of funds pledged under the program's indenture, which includes payments, proceeds, charges and other cash income received in account of, or with respect to, any student loan. CEFA issued its second bond of this type in 1998 in the amount of \$25,000,000, enough to finance approximately 4,000 loans. This bond funded the Cal Edge Program and the structure of the bond is similar to the Cal Loan Program, although the programs offer different types of student loans. On June 27, 2001, CEFA issued a second series of Cal Loan Bonds (Cal Loan Program, Series 2001 A) in the amount of \$45,000,000 and contributed \$1.1 million in up-front cash.



# CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008 AND 2007

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CEFA contracts with All Student Loan Resources Corporation to provide program oversight for Cal Loan and Cal Edge.

In 2002, CEFA's authority was further expanded to include the financing of grants to eligible colleges for outreach programs contributing to the expansion of postsecondary educational opportunities for low- and very low-income students. Funds for the \$2 million program are provided from CEFA's existing fund balance and will be disbursed over a three-year period. During the years ending June 30, 2008 and 2007 \$1,312,310 and \$0, respectively, in grant funds were disbursed.

CEFA contracts with the State Treasurer's Office to provide administrative support including, but not limited to accounting, budgets, data processing, personnel and business services.

### B. THE REPORTING ENTITY

These financial statements present information on the financial activities of CEFA. CEFA is an enterprise fund of the State of California. The financial information is included in the State of California's Business Type Activities. The California State Treasurer is responsible for the oversight of CEFA.

### C. BASIS OF PRESENTATION

CEFA is a public instrumentality of the State of California and is treated as an enterprise fund. The accrual basis of accounting is utilized whereby revenues are recorded when earned and expenses are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. As a governmental entity, CEFA follows the accounting standard hierarchy established by the GASB. However, since CEFA operates proprietary activities, which are usually thought to be business-type activities (enterprise fund accounting), applicable statements and interpretations of the Financial Accounting Standards Board (FASB) issued before November 30, 1989 may apply unless they conflict with or contradict GASB pronouncements. CEFA has elected not to apply FASB pronouncements issued after November 30, 1989.

### D. ACCOUNTS RECEIVABLE

Accounts receivable consist of loans that are either deferred or in repayment. A reserve of \$5,700,000 and \$4,900,001 for the Cal Loan program (netted against accounts receivable) was established as of June 30, 2008 and 2007, respectively. Currently, the individual colleges guaranty the first 12% and CEFA guaranties the next 5% of portfolio losses for the 1997A bond. For the 2001A bond, CEFA guaranties the first 5% and the individual colleges guaranty the next 12% of portfolio losses. The Cal Edge Program does not require college guaranties to offset loans; therefore, a reserve of \$520,093 and \$520,093 for the program was established as of June 30, 2008 and 2007, respectively. Similar to Cal Loan, this reserve is netted against accounts receivable.

# CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008 AND 2007

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### E. REVENUES

#### Educational Facilities Authority Fund (EFAF)

Fees are for review of bond issuance as follows: \$1,000 non-refundable application fee (no application fee charged for equipment loans), and .15% of the aggregate issue amount (.075% for equipment loans) of each successful financing up to a maximum amount of \$75,000. The annual administration fees, which are charged on all outstanding bonds, are waived if the participant has other CEFA debt. The administration fees are \$500 annually for the first five years, and \$250 annually thereafter for the life of the bond issue.

#### Student Loan Authority Fund (SLAF)

The Cal Edge and Cal Loan Bond funds earn interest on student loans outstanding and on the investments of bond trust funds and from loan guarantee fees. Net excess earnings (retained earnings) are restricted for the respective loan programs.

Administration fund cash for both EFAF and SLAF is held by Surplus Money Investment Fund and generates investment income.

CEFA distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing student loans.

### F. BUDGET

As enterprise funds, EFAF and SLAF are designed to be self-supporting, and are not considered a budgetary fund. The Education Code sections of the Act (E.C. 94100 et. Seq.) do not require annual budgets or establish appropriation limits. Section 94141 specifically limits expenses to moneys from revenues generated by operations.

### G. CASH AND CASH EQUIVALENTS

CEFA considers all short-term investments with an original maturity of three months or less to be cash equivalents.

### H. RISK MANAGEMENT

CEFA is an enterprise fund of the State of California, which is primarily self-insured against loss or liability. The State generally does not maintain reserves; losses are covered by appropriations in the year in which the payment occurs. CEFA has not had any claims subject to this coverage in the last ten years. Additional disclosures are presented in the basic financial statements of the State of California.

### I. DEFERRED CHARGES

Deferred charges are bond issuance costs and discounts that are being amortized over the life of the bonds, generally 20 years for the Cal Loan bond and 30 years for the Cal Edge bond.

# CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008 AND 2007

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### J. NET ASSETS

Net assets are restricted by enabling legislation for the purposes of providing student loans, financing of grants to eligible colleges for outreach programs, and issuing revenue bonds to assist private non-profit institutions of higher learning in the expansion and construction of educational facilities.

### K. USES OF ESTIMATES TO PREPARE FINANCIAL STATEMENTS

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

### L. IMPLEMENTATION OF NEW ACCOUNTING STANDARD

On July 1, 2007, CEFA adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 45, - *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (OPEB). This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers.

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008 AND 2007**

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**2. CASH AND INVESTMENTS**

**A. GENERAL**

Cash and investments at June 30, are classified in the accompanying financial statements as follows:

	<u><b>2008</b></u>	<u><b>2007</b></u>
Cash and Investments in State Treasury	\$ 12,017,952	\$ 12,862,669
Cash and Investments with Fiscal Agent	10,071,171	7,879,334
Investments with Fiscal Agent, Non-Current	<u>1,868,832</u>	<u>1,694,377</u>
Total Cash and Investments	<u>\$ 23,957,955</u>	<u>\$ 22,436,380</u>

Cash and investments at June 30, consist of the following:

	<u><b>2008</b></u>	<u><b>2007</b></u>
Deposits in Surplus Money Investment Fund	\$ 12,016,000	\$ 12,862,000
Cash in State Treasury	1,952	669
Money Market Funds with Fiscal Agent	1,159,345	1,386,835
Investments with Fiscal Agent	<u>10,780,658</u>	<u>8,186,876</u>
Total Cash and Investments	<u>\$ 23,957,955</u>	<u>\$ 22,436,380</u>

**B. STATE TREASURY**

CEFA invests excess cash funds in the Surplus Money Investment Fund (SMIF). All of the resources of SMIF are invested through the Pooled Money Investment Account (PMIA). The PMIA investment program is designated by the Pooled Money Investment Board and is administered by the office of the State Treasurer. As of June 30, 2008 and 2007, CEFA invested funds in SMIF in the amount of \$12,016,000 and \$12,862,000, respectively.

Additional disclosure detail required by Government Accounting Standards Board Statement No. 3, No. 31, No. 40, and GASB Technical Bulletin 94-1, regarding cash deposits and investments, are presented in the financial statements of the State of California for the years ended June 30, 2008 and 2007.

# CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008 AND 2007

### C. FISCAL AGENTS

CEFA has invested proceeds from its student loan program in trust indentures held by two commercial banks: The Bank of New York and Union Bank of California. Cash and investments of the trusts are restricted and are being held to make student loans, repay bond debt, finance program expenditures, and maintain reserves.

Investment of debt proceeds by fiscal agents are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the State of California's investment policy. The table below identifies the investment types that are authorized for investments held by CEFA's fiscal agents. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	1 year	None	None
Commercial Paper	270 days	None	None
Money Market Funds	None	None	None
Investment Agreements	None	None	None
General State Obligations	None	None	None
State or Municipality Bonds or Notes	None	None	None
Repurchase Agreements	30 days	None	None
Certificates of Deposit	None	None	None
Federal Funds	1 year	None	None

Changes in market interest rates will adversely affect the fair value of an investment, resulting in interest rate risk. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways to manage exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The interest rate risk inherent in a portfolio can be measured using the weighted average maturity of the portfolio. The debt agreements have no specific limitations with respect to this metric.

Funds can be withdrawn from Cal Loan's guaranteed investment contracts with a two-day notice and from Cal Edge's investment contracts with a two-day notice. Funds can be withdrawn from all of the money market accounts with a one-day notice.

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008 AND 2007**

CEFA's investments as of June 30 are stated at fair value and are summarized below.

<b>2008</b>						
<u>Investment Type</u>	<u>Weighted Average Maturity (in years)</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Cal Loan</u>	<u>Cal Edge</u>	<u>Carrying Value</u>
Guaranteed Investment Contract	.0055	6/01/16	6.37%	\$ 8,547,807		\$ 8,547,807
Guaranteed Investment Contract	.0055	3/29/28	5.73		\$ 1,964,423	1,964,423
Guaranteed Investment Contract	.0055	3/01/21	5.25	11,428		11,428
Guaranteed Investment Contract	.0055	2/24/21	5.25	257,000		257,000
Money Market Funds	.0004	N/A	2.23	<u>966,751</u>	<u>192,594</u>	<u>1,159,345</u>
Total				<u>\$ 9,782,986</u>	<u>\$ 2,157,017</u>	<u>\$ 11,940,003</u>

<b>2007</b>						
<u>Investment Type</u>	<u>Weighted Average Maturity (in years)</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Cal Loan</u>	<u>Cal Edge</u>	<u>Carrying Value</u>
Guaranteed Investment Contract	.0033	6/01/16	6.37%	\$ 5,818,567		\$ 5,818,567
Guaranteed Investment Contract	.0042	3/29/28	5.73		\$ 2,099,909	2,099,909
Guaranteed Investment Contract	.0000	3/01/21	5.25	6,787		6,787
Guaranteed Investment Contract	.0001	2/24/21	5.25	261,613		261,613
Money Market Funds	.0004	N/A	5.06/4.47	<u>1,116,685</u>	<u>270,150</u>	<u>1,386,835</u>
Total				<u>\$ 7,203,652</u>	<u>\$ 2,370,059</u>	<u>\$ 9,573,711</u>

All of the guaranteed investment contracts are issued by Financial Guarantee Insurance Company, are unrated by credit rating agencies, and are uninsured and not registered in CEFA's name. The Cal Loan money market funds are invested in the JP Morgan U.S. Government money market funds, which are uninsured, not registered in CEFA's name and unrated, and the Cal Edge money market funds are invested in Blackrock Institutional Funds T-Fund Institutional Shares, which are uninsured, not registered in CEFA's name and rated AAA.

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008 AND 2007**

The following table presents a summary of the legal restrictions on cash with fiscal agent as of June 30:

<u>Categories</u>	<u>2008</u>	<u>2007</u>
<b>Cal Loan</b>		
Proceeds Fund – Student Loan Account	\$ 7,894,071	\$ 5,524,942
Reserve Fund – General Account	1,448,319	1,173,471
Reserve Fund - Revenue	232,749	351,666
Guaranty Reserve	1,806	1,733
Accrued Interest	<u>206,041</u>	<u>151,840</u>
	<u>9,782,986</u>	<u>7,203,652</u>
<b>Cal Edge</b>		
Loan Fund	72,717	200,465
Principal Fund	446,548	454,735
Debt Service Reserve Account	420,513	520,906
Loan Reserve Fund	849,185	748,872
Interest Fund	186,920	185,027
Collection Account	150,140	143,676
Revenue Account	<u>30,994</u>	<u>116,378</u>
	<u>2,157,017</u>	<u>2,370,059</u>
Total Cash and Investments with Fiscal Agent	\$ <u>11,940,003</u>	\$ <u>9,573,711</u>

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008 AND 2007**

**3. ACCOUNTS RECEIVABLE**

A detail of the accounts receivable at June 30 is as follows:

	<u>2008</u>	<u>2007</u>
Cal Loan:		
Student Loan Receivables	\$ 17,639,214	\$ 20,167,961
Student Loan – Interest	1,310,528	813,071
Allowance for Loan Losses	<u>(5,700,000)</u>	<u>(4,900,001)</u>
	<u>13,249,742</u>	<u>16,081,031</u>
Cal Edge		
Student Loan Receivables	8,178,972	9,851,553
Student Loan – Interest	97,218	162,858
Loans in Process	12,730	57,790
Allowance for Loan Losses	<u>(520,093)</u>	<u>(520,093)</u>
	<u>7,768,827</u>	<u>9,552,108</u>
EFAF		
Fees	<u>6,250</u>	<u>3,250</u>
Accounts Receivable, Net	<u>\$ 21,024,819</u>	<u>\$ 25,636,389</u>

**4. DUE TO/FROM OTHER FUNDS – EXTERNAL FUNDS**

Due to/from other funds at June 30 includes the following:

<u>Due From (Due To)</u>	<u>Description</u>	<u>2008</u>	<u>2007</u>
SLAF			
SMIF	Interest Income	\$ 57,010	\$ 92,085
EFAF			
SMIF	Interest Income	39,003	74,946
Other Funds	Miscellaneous	<u>(22,636)</u>	<u>(7,254)</u>
		<u>\$ 73,377</u>	<u>\$ 159,777</u>

The amount due from SMIF represents unpaid interest earned by CEFA. The amount due to other funds represents expenses paid by other funds within the State of California on behalf of CEFA.



**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008 AND 2007**

**5. BONDS PAYABLE**

The detail of the bonds payable is as follows:

5.55% Term Series 1998 Bonds, due April 1, 2028. Student loan revenue bonds (Cal Edge). Interest due semi-annually, payable from revenues and recoveries of principal, including all receipts with respect to student loans financed pursuant to the indenture.	\$ 8,315,000
5.10% Term Series 2001 A Bonds, due March 1, 2014. Student loan revenue bonds (Cal Loan). Interest due semi-annually, payable from revenues and recoveries of principal, including all receipts with respect to student loans financed pursuant to the indenture.	5,000,000
5.40% Term Series 2001 A Bonds, due March 1, 2021. Student loan revenue bonds (Cal Loan). Interest due semi-annually, payable from revenues and recoveries of principal, including all receipts with respect to student loans financed pursuant to the indenture.	<u>17,000,000</u>
Total Bonds Payable	<u>\$ 30,315,000</u>

Both Cal Edge and Cal Loan are interest only bonds with no principal payments due until maturity. During 2008, \$1,960,000 was refunded to the Cal Edge Series 1998 Bonds. During 2007, \$2,260,000 was refunded to the Cal Loan Series 1997 Bonds, and \$1,695,000 was refunded to the Cal Edge Series 1998 Bonds.

Bonds Bond Payable activity for the year ended June 30, 2008, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
5.55% Series 1998	\$ 10,275,000		\$ 1,960,000	\$ 8,315,000
5.10% Series 2001A	5,000,000			5,000,000
5.40% Series 2001A	<u>17,000,000</u>			<u>17,000,000</u>
Long-term liabilities	<u>\$ 32,275,000</u>	\$	<u>\$ 1,960,000</u>	<u>\$ 30,315,000</u>

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008 AND 2007**

The summary of principal and interest for bonds payable as of June 30, 2008 are as follows:

**1998 Bonds (Cal Edge)**

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<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009		\$ 461,483	\$ 461,483
2010		461,483	461,483
2011		461,483	461,483
2012		461,483	461,483
2013		461,483	461,483
2014-2018		2,307,413	2,307,413
2019-2023		2,307,413	2,307,413
2024-2028	\$ <u>8,315,000</u>	<u>2,153,585</u>	<u>10,468,585</u>
Total	\$ <u>8,315,000</u>	\$ <u>9,075,826</u>	\$ <u>17,390,826</u>

**2001 A Bonds (Cal Loan)**

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<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009		\$ 255,000	\$ 255,000
2010		255,000	255,000
2011		255,000	255,000
2012		255,000	255,000
3013		255,000	255,000
2014	\$ <u>5,000,000</u>	<u>170,000</u>	<u>5,170,000</u>
Total	\$ <u>5,000,000</u>	\$ <u>1,445,000</u>	\$ <u>6,445,000</u>

**2001 A Bonds (Cal Loan)**

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<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009		\$ 918,000	\$ 918,000
2010		918,000	918,000
2011		918,000	918,000
2012		918,000	918,000
2013		918,000	918,000
2014-2018		4,590,000	4,590,000
2019-2021	\$ <u>17,000,000</u>	<u>2,448,000</u>	<u>19,448,000</u>
Total	\$ <u>17,000,000</u>	\$ <u>11,628,000</u>	\$ <u>28,628,000</u>

# CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008 AND 2007

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### 6. RETIREMENT PLAN

CEFA is a participant in the State of California's Public Employees' Retirement System (CalPERS), which is a defined benefit, agent multiple-employer contributory retirement plan. Since all State agencies are considered collectively to be a single employer, the actuarial present value of vested and non-vested accumulated plan benefits attributable to CEFA's employees cannot be determined. The significant actuarial assumptions used to compute the actuarially determined State contribution requirements are the same as those used to compute the State pension benefit obligation as defined by CalPERS. Generally, full-time and permanent part-time employees are eligible to participate in CalPERS. Depending upon the plan option selection, benefits vest after five or ten years of service. Participants are eligible for service retirement after age 50 or 55 and must have five or ten years of CalPERS credited service, depending upon the tier of participation. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. The amount of pension contributions by CEFA to CalPERS is actuarially determined under a program wherein contributions plus the expected earnings of CalPERS will provide the necessary funds to pay the earned benefits of the employees when due. The total payroll of CEFA is covered.

CEFA's contributions to CalPERS for the years ended June 30, 2008 and 2007 were \$40,037 and \$41,643, respectively. Participant contributions range from zero to six percent of their salary depending on the tier of participation. The excess of plan assets over vested and unvested benefits at June 30, 2008 and 2007 was not available. Such information is available for CalPERS as a whole, which is audited annually by other independent auditors. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Additional disclosure detail required by Government Accounting Standards Board Statement No. 25, No. 27, and No. 50, regarding the defined benefit plan are presented in the financial statements of the State of California for the year ended June 30, 2008.

# CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008 AND 2007

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### 7. POST-RETIREMENT BENEFITS (OPEB)

The State of California (the State) provides health care and dental benefits to annuitants of retirement systems to which the State contributes as an employer. A portion of the State's post-retirement benefit costs have been allocated to CEFA as follows:

Annual required contribution	\$ 72,000
Interest on net OPEB obligation	0
Adjustment to annual required contribution	0
Annual OPEB cost (expense)	<u>72,000</u>
Contributions made	<u>(24,000)</u>
Increase in net OPEB obligation	48,000
Net OPEB obligation – beginning of year	0
Net OPEB obligation – end of year	<u>\$ 48,000</u>

Additional disclosure detail required by Government Accounting Standards Board Statement No. 45, regarding post-retirement benefits are presented in the financial statements of the State of California for the year ended June 30, 2008.

### 8. CONDUIT FINANCING PROGRAMS

CEFA acts as a conduit by assisting eligible private nonprofit institutions of higher learning in obtaining financing through the issuance of revenue bonds. The financings are secured by the full faith and credit of the participating institutions, and CEFA is not responsible for payment on any financing. As a result, the financing obligations are not recorded in CEFA's financial statements. The borrowers' obligations generally are, but need not be, secured by insurance, a letter of credit or guaranty.

As of June 30, 2008 and 2007, there were \$3,835,678,229 and \$3,766,304,630, respectively, in conduit financings outstanding.

## **ADDITIONAL INFORMATION**

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**  
**CONSOLIDATING BALANCE SHEET**  
**JUNE 30, 2008**

	Student Loan Authority Fund			Total	Educational Facilities Authority Fund	Total
	Administration	Cal Loan	Cal Edge			
<b>ASSETS</b>						
<b>CURRENT ASSETS:</b>						
Cash & Investments in State Treasury	\$ 7,390,875			\$ 7,390,875	\$ 4,627,077	\$ 12,017,952
Cash & Investments with Fiscal Agent		\$ 8,334,667	\$ 1,736,504	10,071,171		10,071,171
Accounts Receivable		3,665,815	1,437,867	5,103,682	6,250	5,109,932
Due from Other External Funds	57,010			57,010	39,003	96,013
Prepaid Expenses		29,519		29,519		29,519
Other Assets			11,225	11,225	5,405	16,630
Deferred Charges		16,720	6,348	23,068		23,068
<b>Total Current Assets</b>	<u>7,447,885</u>	<u>12,046,721</u>	<u>3,191,944</u>	<u>22,686,550</u>	<u>4,677,735</u>	<u>27,364,285</u>
<b>NON-CURRENT ASSETS:</b>						
Investments with Fiscal Agent		1,448,319	420,513	1,868,832		1,868,832
Accounts Receivable (Net)		9,583,927	6,330,960	15,914,887		15,914,887
Deferred Charges (Net)		182,520	120,611	303,131		303,131
Advances to/from Other Funds	2,657,669	(2,000,000)	(657,669)			
<b>Total Non-Current Assets</b>	<u>2,657,669</u>	<u>9,214,766</u>	<u>6,214,415</u>	<u>18,086,850</u>		<u>18,086,850</u>
<b>TOTAL ASSETS</b>	<u>\$ 10,105,554</u>	<u>\$ 21,261,487</u>	<u>\$ 9,406,359</u>	<u>\$ 40,773,400</u>	<u>\$ 4,677,735</u>	<u>\$ 45,451,135</u>
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT LIABILITIES:</b>						
Accounts Payable		\$ 10,230		\$ 10,230	\$ 24,583	\$ 34,813
Accrued Vacation					54,019	54,019
Accrued Arbitrage		12,259		12,259		12,259
Accrued Expenses		622,024	\$ 124,170	746,194		746,194
Due to Other External Funds					22,636	22,636
Other Liabilities			214,861	214,861		214,861
<b>Total Current Liabilities</b>		<u>644,513</u>	<u>339,031</u>	<u>983,544</u>	<u>101,238</u>	<u>1,084,782</u>
<b>NON-CURRENT LIABILITIES:</b>						
Bonds Payable		22,000,000	8,315,000	30,315,000		30,315,000
OPEB Obligation					48,000	48,000
Participant Collateral Accounts		270,000		270,000		270,000
<b>Total Non-Current Liabilities</b>		<u>22,270,000</u>	<u>8,315,000</u>	<u>30,585,000</u>	<u>48,000</u>	<u>30,633,000</u>
<b>TOTAL LIABILITIES</b>		<u>22,914,513</u>	<u>8,654,031</u>	<u>31,568,544</u>	<u>149,238</u>	<u>31,717,782</u>
<b>NET ASSETS</b>						
Restricted for Educational Purposes	\$ 10,105,554	(1,653,026)	752,328	9,204,856	4,528,497	13,733,353
<b>Total Net Assets</b>	<u>10,105,554</u>	<u>(1,653,026)</u>	<u>752,328</u>	<u>9,204,856</u>	<u>4,528,497</u>	<u>13,733,353</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 10,105,554</u>	<u>\$ 21,261,487</u>	<u>\$ 9,406,359</u>	<u>\$ 40,773,400</u>	<u>\$ 4,677,735</u>	<u>\$ 45,451,135</u>

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY**  
**CONSOLIDATING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2008**

	Student Loan Authority Fund			Total	Educational Facilities Authority Fund	Total
	Administration	Cal Loan	Cal Edge			
<b>OPERATING REVENUES</b>						
Interest Income on Student Loans		\$ 1,470,860	\$ 681,724	\$ 2,152,584		\$ 2,152,584
Fee Revenue		29,343	47,831	77,174	\$ 569,038	646,212
Total Operating Revenues		<u>1,500,203</u>	<u>729,555</u>	<u>2,229,758</u>	<u>569,038</u>	<u>2,798,796</u>
<b>OPERATING EXPENSES</b>						
Salaries and Wages					354,851	354,851
Operating Expenses	\$ 28,014	1,093,830	373,552	1,495,396	329,402	1,824,798
Grant Expense					1,312,310	1,312,310
Total Operating Expenses	<u>28,014</u>	<u>1,093,830</u>	<u>373,552</u>	<u>1,495,396</u>	<u>1,996,563</u>	<u>3,491,959</u>
<b>OPERATING INCOME (LOSS)</b>	(28,014)	406,373	356,003	734,362	(1,427,525)	(693,163)
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Interest Income on Investments	316,800	495,232	128,112	940,144	224,231	1,164,375
Interest Expense		(1,173,000)	(523,781)	(1,696,781)		(1,696,781)
Arbitrage Expense			17,118	17,118		17,118
<b>CHANGE IN NET ASSETS</b>	288,786	(271,395)	(22,548)	(5,157)	(1,203,294)	(1,208,451)
<b>NET ASSETS</b>						
<b>NET ASSETS, Beginning of Year</b>	<u>9,816,768</u>	<u>(1,381,631)</u>	<u>774,876</u>	<u>9,210,013</u>	<u>5,731,791</u>	<u>14,941,804</u>
<b>NET ASSETS, End of Year</b>	<u>\$ 10,105,554</u>	<u>\$(1,653,026)</u>	<u>\$ 752,328</u>	<u>\$ 9,204,856</u>	<u>\$ 4,528,497</u>	<u>\$ 13,733,353</u>

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY  
EDUCATION FACILITIES AUTHORITY FUND (CEFA)**

**STATEMENT OF BONDS AND COLLATERALIZED NOTES, AUTHORIZED, ISSUED AND OUTSTANDING  
JUNE 30, 2008**

<b>Bond</b>	<b>Date Issued</b>	<b>Date of Final Maturity</b>	<b>Amount of Bond Issued</b>	<b>Amount of Bond Retired</b>	<b>Bonds Outstanding as of June 30, 2008</b>
2000 CEFA Pool, Series B	8-Jun-00	1-Jun-30	21,660,000	21,660,000	\$ -
Heald College, Series 1999	28-Apr-99	15-Feb-29	15,000,000	15,000,000	-
Heald College, Series 2003	07-Mar-03	01-Mar-10	9,800,000	9,800,000	-
Pacific Graduate School of Psychology, Series 96	13-Jun-96	1-Nov-21	2,415,000	2,415,000	-
Santa Clara University, Series 2006 ( Variable Auction Rate)	8-Jun-06	1-Sep-36	45,000,000	45,000,000	-
Scripps College, Series 1999	20-May-99	1-Feb-30	11,000,000	11,000,000	-
St. Mary's College, Series 2001 A	9-Aug-01	9-Aug-31	7,000,000	7,000,000	-
St. Mary's College, Series 2001 B (Variable)	9-Aug-01	1-Aug-31	17,000,000	17,000,000	-
St. Mary's College, Series 2003 (Auction Rate)	17-Jul-03	01-Oct-20	25,375,000	25,375,000	-
Stanford University, Series 1997 M	1-Feb-97	1-Dec-26	77,820,000	77,820,000	-
Stanford University, Series 1997 N	16-Sep-97	1-Dec-27	180,000,000	180,000,000	-
Stanford University, Series T-2, Tranche One (Auction Rate)	6-Sep-07	15-Mar-33	93,775,000	93,775,000	-
Stanford University, Series T-2, Tranche Two (Auction Rate)	6-Sep-07	15-Mar-33	93,775,000	93,775,000	-
Westmont College, Series 2002	26-Sep-02		22,500,000	22,500,000	-
Western University of Health Sciences (College of Osteopathic Medicine, Series 1995)	3-May-95	1-Jun-18	24,840,000	24,840,000	-
Western University of Health Sciences, Series 2002	30-Oct-02	01-Oct-32	5,000,000	5,000,000	-
1993 CEFA Pool, Series B	12-Aug-93	1-Jun-18	38,290,000	37,635,000	655,000
Carnegie Institute of Washington 1993 Series B	1-Nov-93	1-Oct-23	17,500,000	-	17,500,000
Stanford University, Series 1993 L-1	28-Dec-93	1-Oct-14	5,055,000	-	5,055,000
Stanford University, Series 1994 L-2	19-Oct-94	1-Oct-14	8,775,000	-	8,775,000
California Institute of Technology, Series 1994	27-Oct-94	1-Jan-24	30,000,000	-	30,000,000
Stanford University, Series 1995 L-3	19-Oct-95	1-Oct-15	9,840,000	-	9,840,000
University of San Francisco, Series 1996	1-May-96	1-Oct-26	75,000,000	66,930,000	8,070,000
Stanford University, Series 1996 L-4	25-Oct-96	1-Oct-16	8,775,000	-	8,775,000
Chapman University, Series 1996	1-Dec-96	1-Oct-26	40,000,000	32,565,000	7,435,000
1997 CEFA Pool, Series A	30-Apr-97	1-Apr-13	13,105,000	9,630,000	3,475,000
University of Southern California, Series 1997A (Forward Refunding)	8-Jul-97	1-Oct-15	40,085,000	36,285,000	3,800,000
Whittier College, Series 1997	25-Sep-97	1-Mar-10	3,227,417	2,579,918	647,499
1997 CEFA Pool, Series C	1-Oct-97	1-Mar-15	17,485,000	13,835,000	3,650,000
Stanford University, Series 1997 L-5	23-Oct-97	1-Oct-17	15,165,000	-	15,165,000
Southern California University of Health Sciences (Formerly the Los Angeles College of Chiropractic, Series 1997)	4-Nov-97	1-Nov-17	18,000,000	6,690,000	11,310,000
Mills College, Series 1997	20-Nov-97	1-Sep-22	11,065,000	3,165,000	7,900,000
Loyola Marymount University, Series 1997	11-Dec-97	1-Oct-22	19,295,000	7,230,000	12,065,000
University of San Diego, Series 1998	25-Feb-98	1-Oct-22	41,490,000	17,495,000	23,995,000
California Western School of Law, Series 1998	4-Apr-98	1-Oct-28	16,000,000	2,565,000	13,435,000
1998 CEFA Pool, Series A	28-May-98	1-Jul-23	35,050,000	30,380,000	4,670,000
University of the Pacific, Series 1998	25-Jun-98	1-Nov-23	12,500,000	2,170,000	10,330,000
Stanford University, Series 1998 O	6-Oct-98	1-Jan-31	89,555,000	-	89,555,000



**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY  
EDUCATION FACILITIES AUTHORITY FUND (CEFA)**

**STATEMENT OF BONDS AND COLLATERALIZED NOTES, AUTHORIZED, ISSUED AND OUTSTANDING  
JUNE 30, 2008**

<b>Bond</b>	<b>Date Issued</b>	<b>Date of Final Maturity</b>	<b>Amount of Bond Issued</b>	<b>Amount of Bond Retired</b>	<b>Bonds Outstanding as of June 30, 2008</b>
California Institute of Technology, Series 1998	22-Oct-98	1-Apr-28	103,865,000	-	103,865,000
University of Southern California, Series 1998A	27-Oct-98	1-Oct-28	30,360,000	-	30,360,000
Stanford University, Series 1998 L-6	28-Oct-98	1-Oct-22	17,815,000	-	17,815,000
University of Judaism, 1998 Series A (Variable)	17-Dec-98	1-Dec-28	13,500,000	1,700,000	11,800,000
University of Judaism, 1998 Series B (Taxable Variable)	17-Dec-98	1-Dec-28	7,000,000	1,000,000	6,000,000
University of San Diego, Series 1999	4-Feb-99	1-Oct-28	31,778,189	-	31,778,189
Pomona College, Series 1999	10-Feb-99	1-Jan-17	17,885,000	6,120,000	11,765,000
Claremont McKenna University, Series 1999	1-Mar-99	1-Nov-29	24,000,000	14,745,000	9,255,000
Life Chiropractic College West, 1999 (Variable)	4-Mar-99	1-Jan-25	18,000,000	1,950,000	16,050,000
Chapman University Equipment Loan, Series 1999A	16-Mar-99	19-Mar-09	8,233,090	6,415,792	1,817,298
Claremont University Center, Series 1999A (Claremont Graduate University)	16-Mar-99	1-Mar-17	7,180,000	3,215,000	3,965,000
Claremont University Consortium, Series 1999 B (Central Programs & Services)	16-Mar-99	1-Mar-23	8,295,000	1,980,000	6,315,000
Pepperdine University, Series 1999 A	25-Mar-99	1-Nov-29	30,000,000	14,130,000	15,870,000
Stanford University, Series 1999 P	30-Mar-99	1-Dec-23	110,440,000	-	110,440,000
Santa Clara University, Series 1999	15-Apr-99	1-Sep-26	82,181,741	9,247,630	72,934,111
1999 CEFA Pool, Series A	27-Apr-99	1-Apr-23	10,405,000	2,690,000	7,715,000
1999 CEFA Pool, Series B	27-Apr-99	1-Apr-24	19,745,000	10,370,000	9,375,000
University of Southern California, Series 1999	6-Jul-99	1-Oct-27	60,000,000	-	60,000,000
Stanford University, Series 1999 L-7	28-Oct-99	1-Oct-22	18,393,000	-	18,393,000
Loyola Marymount University, Series 1999	6-Jan-00	1-Oct-39	62,142,839	57,389,861	4,752,978
American Film Institute, Series 2000	7-Feb-00	10-May-10	3,705,000	1,520,000	2,185,000
Fresno Pacific University, Series 2000A	2-Mar-00	1-Mar-19	9,160,000	2,680,000	6,480,000
San Francisco Conservatory of Music, Series 2000	22-Mar-00	1-Mar-25	10,000,000	2,230,000	7,770,000
University of San Francisco, Series 2000 (Variable)	16-May-00	1-May-30	27,000,000	3,800,000	23,200,000
University of the Pacific, Series 2000	22-Jun-00	1-Nov-30	41,000,000	28,290,000	12,710,000
Chapman University, Series 2000 (Variable)	8-Aug-00	1-Dec-30	18,000,000	2,500,000	15,500,000
Stanford University, Series 2001 Q	3-May-01	1-Dec-32	101,860,000	-	101,860,000
Loyola Marymount University, Series 2001A	14-Jun-01	1-Oct-24	75,449,126	2,725,000	72,724,126
Loyola Marymount University, Series 2001B (AuctionRate) (reoffered)	14-Jun-01	1-Oct-27	30,600,000	-	30,600,000
California College of Arts & Crafts, Series 2001	1-Jun-01	1-Aug-30	14,490,000	55,000	14,435,000
Stanford University, Series 2001 R	16-Aug-01	1-Nov-21	111,585,000	-	111,585,000
Scripps College, Series 2001	29-Aug-01	1-Aug-31	12,250,000	6,535,000	5,715,000
Golden Gate University, Series 2001	18-Oct-01	1-Oct-31	29,360,000	2,105,000	27,255,000
Pomona College, Series 2001	28-Nov-01	1-Jan-17	15,220,000	4,365,000	10,855,000
Santa Clara University, Series 2002 A	31-Jan-02	1-Feb-32	21,600,000	2,130,000	19,470,000
Santa Clara University, Series 2002 B (Variable)	31-Jan-02	1-Feb-32	10,390,000	800,000	9,590,000
Art Center College of Design 2002 Series A (Variable)	23-May-02	1-Dec-32	11,545,000	1,300,000	10,245,000
Art Center College of Design 2002 Series B (Variable)	23-May-02	1-Dec-32	13,055,000	1,600,000	11,455,000

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY  
EDUCATION FACILITIES AUTHORITY FUND (CEFA)**

**STATEMENT OF BONDS AND COLLATERALIZED NOTES, AUTHORIZED, ISSUED AND OUTSTANDING  
JUNE 30, 2008**

<b>Bond</b>	<b>Date Issued</b>	<b>Date of Final Maturity</b>	<b>Amount of Bond Issued</b>	<b>Amount of Bond Retired</b>	<b>Bonds Outstanding as of June 30, 2008</b>
University of San Diego, Series 2002A	06-Jun-02	1-Oct-32	14,110,000	-	14,110,000
University of Southern California, Series 2003A	20-Mar-03	01-Oct-33	150,000,000	100,000,000	50,000,000
University of Redlands, 2003 Series A	27-Mar-03	01-Jun-33	17,280,000	1,715,000	15,565,000
Pepperdine University, Series 2003 A	30-Apr-03	01-Sep-33	45,000,000	-	45,000,000
University of San Francisco, Series 2003 (Variable)	28-May-03	01-May-33	40,000,000	2,700,000	37,300,000
Southwestern University Series 2003	29-May-03	01-Nov-23	11,880,000	2,060,000	9,820,000
University of Redlands, Series 2003B	11-Jun-03	01-Oct-25	17,000,000	2,165,000	14,835,000
Claremont McKenna University, Series 2003	25-Jun-03	01-Jan-33	9,975,000	885,000	9,090,000
University of Southern California, Series 2003B	08-Jul-03	01-Oct-15	12,795,000	4,285,000	8,510,000
Santa Clara University, Series 2003A	16-Jul-03	01-Sep-33	23,600,000	11,020,000	12,580,000
Harvey Mudd College, Series 2003	24-Jul-03	01-Dec-33	7,110,000	2,485,000	4,625,000
University of the Pacific Equipment Loan 2003	26-Sep-03	26-Sep-08	1,200,000	1,072,161	127,839
Saint Mary's College of California Equipment Loan 2004	2-Apr-04	2-Apr-11	1,650,000	899,010	750,990
Loyola Marymount University, Series 2004 (Auction Rate Securities)	9-Jun-04	1-Oct-34	49,825,000	7,550,000	42,275,000
Stanford University, Series 2004 S-1 (Auction Rate)	24-Jun-04	1-Nov-39	40,000,000	-	40,000,000
Stanford University, Series 2004 S-2 (Auction Rate)	24-Jun-04	1-Nov-39	40,000,000	-	40,000,000
Stanford University, Series 2004 S-3 (Auction Rate)	24-Jun-04	1-Nov-39	50,000,000	-	50,000,000
Stanford University, Series 2004 S-4 (Variable)	24-Jun-04	1-Nov-50	51,200,000	-	51,200,000
University of the Pacific, Series 2004	12-Aug-04	1-May-34	11,500,000	1,670,000	9,830,000
California Lutheran University, Series 2004A (Variable)	16-Nov-04	1-Oct-29	5,465,000	-	5,465,000
California Lutheran University, Series 2004B (Taxable Variable)	16-Nov-04	1-Oct-29	3,840,000	-	3,840,000
California Lutheran University, Series 2004C	16-Nov-04	1-Oct-29	27,915,000	1,015,000	26,900,000
Pomona College, Series 2005 A/1 (Current Interest Bonds)	24-Feb-05	1-Jul-45	16,735,000	-	16,735,000
Pomona College, Series 2005 A/2 (Capital Appreciation)	24-Feb-05	1-Jul-45	25,144,739	-	25,144,739
Pomona College, Series 2005 B (Variable Rate Demand)	24-Feb-05	1-Jul-54	27,040,000	-	27,040,000
Occidental College, Series 2005A	12-Apr-05	1-Oct-36	54,320,000	655,000	53,665,000
Occidental College, Series 2005B	12-Apr-05	1-Oct-27	16,015,000	510,000	15,505,000
Pitzer College, Series 2005A	29-Apr-05	1-Apr-35	16,085,000	-	16,085,000
Pitzer College, Series 2005B (Variable)	29-Apr-05	1-Apr-45	20,575,000	1,010,000	19,565,000
California College of Arts, Series 2005	12-May-05	1-Jun-35	18,535,000	-	18,535,000
Golden Gate University, Series 2005	12-May-05	1-Oct-36	15,000,000	55,000	14,945,000
Mills College, Series 2005 A	16-Jun-05	1-Sep-35	25,000,000	30,000	24,970,000
University of Redlands, Series 2005 A	7-Jul-05	1-Oct-35	27,180,000	825,000	26,355,000
Pepperdine University, Series 2005 A	3-Aug-05	1-Dec-35	92,365,000	-	92,365,000
University of Southern California, Series 2005	3-Aug-05	1-Oct-28	66,545,000	-	66,545,000
University of San Francisco, Series 2005 A (Variable Auction Rate)	18-Aug-05	1-Oct-26	23,410,000	300,000	23,110,000
University of San Francisco, Series 2005B Variable Rate Demand	18-Aug-05	1-Oct-35	27,500,000	100,000	27,400,000
Pepperdine University, Series 2005B (Delayed Delivery)	6-Sep-05	1-Dec-32	16,340,000	-	16,340,000
Chapman University, Series 2005 A (Auction Rate)	8-Sep-05	1-Oct-36	54,700,000	1,075,000	53,625,000

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY  
EDUCATION FACILITIES AUTHORITY FUND (CEFA)**

**STATEMENT OF BONDS AND COLLATERALIZED NOTES, AUTHORIZED, ISSUED AND OUTSTANDING  
JUNE 30, 2008**

<b>Bond</b>	<b>Date Issued</b>	<b>Date of Final Maturity</b>	<b>Amount of Bond Issued</b>	<b>Amount of Bond Retired</b>	<b>Bonds Outstanding as of June 30, 2008</b>
Chapman University, Series 2005B (Auction Rate)	8-Sep-05	1-Oct-26	22,575,000	800,000	21,775,000
Mills College, Series 2005 B (Delayed Delivery)	9-Sep-05	1-Sep-20	2,835,000	335,000	2,500,000
University of La Verne, Series 2005A	10-Nov-05	1-Jun-35	20,680,000	1,255,000	19,425,000
University of La Verne, Series 2005B (Taxable Variable)	10-Nov-05	1-Jun-35	8,160,000	-	8,160,000
Woodbury University, Series 2006	1-Jan-06	1-Jan-36	19,995,000	655,000	19,340,000
Carnegie Institution of Washington, Series 2006A	9-Jan-06	1-Oct-40	18,300,000	-	18,300,000
Dominican University of California, Series 2006	25-Jan-06	1-Dec-36	19,795,000	80,000	19,715,000
University of the Pacific, Series 2006	31-May-06	1-Nov-36	77,180,000	975,000	76,205,000
California Institute of Technology, Series 2006 A (Variable Rate Demand)	12-Jul-06	1-Oct-36	82,500,000	-	82,500,000
California Institute of Technology, Series 2006 B (Variable Rate Demand)	12-Jul-06	1-Oct-36	82,500,000	-	82,500,000
University of San Francisco, Series 2006 (Variable Rate) (Auction Rate Securities)	27-Jul-06	1-Oct-36	56,900,000	100,000	56,800,000
Claremont Graduate University, 2007 Series A	15-Feb-07	1-Mar-42	36,000,000	-	36,000,000
California College of the Arts, (Shared Financing 2007)	27-Feb-07	1-Feb-24	11,240,000	-	11,240,000
Dominican University of California (Shared Financing 2007)	27-Feb-07	1-Feb-31	10,960,000	-	10,960,000
Keck Graduate Institute (Shared Financing 2007)	27-Feb-07	1-Feb-30	8,565,000	-	8,565,000
Woodbury University (Shared Financing 2007)	27-Feb-07	1-Feb-37	7,000,000	110,000	6,890,000
Saint Mary's College of California Equipment Financing, Series 2007	8-May-07	8-Mar-17	2,484,966	52,069	2,432,897
University of Southern California, Series 2007	24-May-07	1-Oct-37	263,395,000	-	263,395,000
Claremont McKenna College, Series 2007	31-May-07	1-Jan-38	40,425,000	165,000	40,260,000
University of the Pacific Equipment Financing, Series 2007	15-Jun-07	15-Jun-14	4,250,000	538,437	3,711,563
Stanford University, Series T-1	19-Jun-07	15-Mar-39	111,775,000	-	111,775,000
Saint Mary's College of California, Series 2007 (Auction Rate Securities)	30-Aug-07	1-Oct-43	71,100,000	825,000	70,275,000
Stanford University, Series T-3	6-Sep-07	15-Mar-26	25,360,000	-	25,360,000
Scripps College, Series 2007	31-Oct-07	1-Nov-37	30,555,000	-	30,555,000
Charles Drew University of Medicine & Science, Series 2007	15-Nov-07	1-Nov-42	43,000,000	-	43,000,000
Occidental College, Series 2008	6-Mar-08	31-Oct-38	20,000,000	-	20,000,000
University of La Verne, Series 2008	27-Mar-08	1-Mar-38	22,500,000	-	22,500,000
Stanford University, Series T-4 (2008)	15-May-08	15-May-14	172,410,000	-	172,410,000
University of Redlands, Series 2008 A	22-May-08	1-Aug-38	21,125,000	-	21,125,000
Stanford University, Series 2008 TECP	15-May-08	1-May-38	300,000,000	235,249,000	64,751,000
Pomona College, Series 2008 A	26-Jun-08	1-Jan-18	59,475,000	-	59,475,000
Pomona College, Series 2008 B	26-Jun-08	1-Jan-54	34,025,000	-	34,025,000
<b>TOTAL</b>					<b>\$ 3,835,681,229</b>

CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

**AUTHORITY STAFF**

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