

MINUTES

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY
MINUTES MAY 25, 2006 – 1:30 P.M.
915 CAPITOL MALL, ROOM 587
SACRAMENTO, CA 95814**

Ted Eliopoulos for Chairman Philip Angelides called the meeting to order at 1:30 p.m.

Present: Ted Eliopoulos for Philip Angelides, State Treasurer, Chairperson
Winnie Scott for Steve Westly, State Controller, Vice Chairperson
Anne Sheehan for Michael C. Genest, Director, Department of Finance
Sylvia Scott-Hayes

Absent Michael L. Jackson

Staff: Frank Vega, Executive Director
Greg Rogers, Deputy Executive Director

The Chairperson declared a quorum present.

The minutes from the California Educational Facilities Authority's April 27, 2006 meeting were approved as submitted. (Moved by Anne Sheehan and seconded by Sylvia Scott-Hayes.)

Frank Vega reported that as of April 30, 2006 the Authority had issued approximately \$6.59 billion in debt, with \$3.3 billion in bonds remaining outstanding and that no bond issues closed during the month of April. Mr. Vega reported income of \$87,000 from SMIF interest earnings and Annual Fee Invoices bring the Authority fund balance as of April 30, 2006 to \$6.37 million. Mr. Vega reported that the Student Loan Fund balances reflect \$66,000 income from SMIF earnings, bringing the Student Loan Fund balance to \$6.74 million.

Item #4

Santa Clara University Resolution No. F-238

Summer Nishio stated that Santa Clara University was requesting \$45,000,000 in bond proceeds to be used to current refund the remaining portion of the 1996 CEFA bond issue and fund various capital projects, including construction of a new library, business schools and various other academic buildings. Representing Santa Clara University: Mr. Harry Fong, Associate Vice President for Finance, Santa Clara University; Mr. Richard Chisholm, Managing Director and Mr. Doug Brown, Associate, Banc of America Securities LLC; and, Ms. Megan Hamilton, Esq., Orrick, Herrington & Sutcliffe LLP, Bond Counsel.

Staff recommended the Authority approve Resolution No. F-238 in an amount not to exceed \$45,000,000 for Santa Clara University, subject to the bonds having at least an "A" category rating by a nationally recognized rating agency and meeting the standard bond issuance guidelines for "A" category rated debt.

Ms. Scott-Hayes asked if the new construction implemented any green building standards or if rated by the LEED (Leadership in Energy and Environmental Design) designations. Mr. Fong responded that buildings being constructed with this bond issue are being built to LEED certification standards.

Mr. Vega stated that staff is developing guidelines to include in the application package and staff is waiting for the Energy Commission to finalize their program guidelines, giving staff a benchmark to compare language against.

After further discussion by the Authority, Anne Sheehan moved for adoption of the Resolution and Windie Scott seconded it. Motion adopted with a 4-0 vote.

Item #5

**Allocation of Grants for the Academic Assistance Program
Resolution No. 2006-02**

Kristine Scully stated that staff is seeking Authority approval of the proposed allocations for the Academic Assistance Grant Program. The Authority received a total of 16 applications for grants totaling \$3,787,700. Staff recommended the Authority approve the funding of 9 grants from the applications received, in an amount totaling \$1,998,043. (A list of the amounts and schools was included in the packet.) Ms. Scully noted that the dollar amount for Loyola Marymount University should be \$250,000 not \$220,000.

Staff recommended the Authority approve Resolution 2006-02 for the proposed California Educational Facilities Authority Academic Assistance Grant Program allocations.

Ms. Scott-Hayes asked if feedback was provided to the applicants not receiving funding. Ms. Scully stated that staff received several calls and provided feedback. Ms. Scott-Hayes asked if this program was targeted primarily for incoming freshman and in the future could institutions that work with community colleges also be eligible for people coming in as transfer students, if they provide outreach to community colleges. Ms. Scully stated that this legislation specifically targeted 7-12 grades.

Anne Sheehan asked what the reporting requirements were for the projects. Ms. Scully stated that the program regulations require reporting to the Authority yearly and that the allocation would be yearly so staff can look at the feedback to see how the funds were spent and how many additional students were admitted into the program. At the end of the 3-year grant cycle, staff will compile the data and the information will be submitted to the Board.

Ms. Scott asked if the applicants that didn't receive the full funding of their request were given feedback as to why they didn't get the full funding. Ms. Scully stated that those applicants that didn't receive the full funding were given the justifications for the scoring.

After discussion by the Authority, Anne Sheehan moved for adoption of the Resolution and Windie Scott seconded it. Motion adopted with a 4-0 vote.

There being no public comment, the meeting was adjourned.

Respectfully submitted by,

{Approved at the June 29, 2006 CEFA Board Meeting}

Frank Vega
Executive Director