

MINUTES

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY
MINUTES JUNE 29, 2006 – 1:30 P.M.
915 CAPITOL MALL, ROOM 587
SACRAMENTO, CA 95814**

Dennis Trujillo for Chairperson Philip Angelides called the meeting to order at 1:30 p.m.

Present: Dennis Trujillo for Philip Angelides, State Treasurer, Chairperson
Cindi Aronberg 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

The Chairperson declared a quorum present.

The minutes from the California Educational Facilities Authority's (CEFA) May 25, 2006 meeting were approved as submitted. (Moved by Anne Sheehan and seconded by Sylvia Scott-Hayes.)

Frank Vega reported that as of May 31, 2006, the Authority had issued approximately \$6.69 billion in debt, with \$3.3 billion in bonds remaining outstanding and that the University of the Pacific bond issue closed during the month of May. Mr. Vega reported income of \$46,200 bringing the Authority fund balance as of May 31, 2006 to \$6.36 million. Mr. Vega reported that the Student Loan Fund balance remained at \$6.74 million.

Item #4

University of San Francisco Resolution No. F-239

Kristine Scully stated that the University of San Francisco was requesting \$60,000,000 in bond proceeds to be used to finance various construction, renovation, campus technology upgrades, and various other capital projects. The bonds will also be used to refinance a portion of the CEFA Series 1996 bonds. Representing the University of San Francisco: Mr. Charles Cross, Vice President, Business & Finance, Chief Financial Officer, and Ms. Stacey Lewis, Assistant Treasurer, Business & Finance, both from the University of San Francisco; and Mr. Raigen Padayachee, Associate, Banc of America Securities LLC.

Staff recommended the Authority approve Resolution No. F-239 in an amount not to exceed \$60,000,000 for the University of San Francisco, 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.

Anne Sheehan moved for adoption of the Resolution and Sylvia Scott-Hayes seconded it. Motion adopted 3 ayes, 1 abstain (Cindi Aronberg).

Item #5

Approval of Form of Grant Agreement Between

**Grantees and the Authority
Resolution No. 2006-04**

Kristine Scully stated that staff was seeking Authority approval of the grant agreement that would be executed by the Authority and the borrower prior to allocation of the Academic Assistance Grant. At the May 25, 2006 CEFA meeting, the Board approved the final allocations for the Academic Assistance Grant Program. As required by Section 94215 of the Education Code and Section 9064 of the Regulations, a separate grant agreement must be executed by each grantee. The grant agreement outlines the requirements to which each grantee must adhere as a condition of receiving grant funds. The provisions of the agreement include the borrower's representations and warranties, the procedure for disbursement of funds, various reporting requirements, and available remedies for default. Each grantee would be sent a grant agreement to be executed and returned to the Authority prior to the disbursement of funds.

Staff recommended the Authority approve Resolution 2006-04 approving the grant agreement form for the California Educational Facilities Authority Academic Assistance Grant Program allocations.

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

Item #6 – Removed from Agenda

Item #7

**Election of Vice-Chairperson as Required by
Article 3, Section 94120 (e) of the Education Code**

Frank Vega stated that statute requires the Board to elect a vice-chairperson whose term must begin on or after April 30 in each year. Currently, the Controller serves as vice-chairperson, elected December 1 2005. Staff recommended the Board nominate and elect a vice-chairperson who shall serve until April 30, 2007.

Anne Sheehan nominated the Controller for the vice-chairperson and it was seconded by Sylvia Scott-Hayes. Motion adopted with a 4-0 vote.

There being no public comment, the meeting was adjourned.

Respectfully submitted by,

{Approved at the July 27, 2006 CEFA Board Meeting }

Frank Vega
Executive Director