

MINUTES

CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

July 26, 2007 – 1:30 P.M.

915 CAPITOL MALL, ROOM 587

SACRAMENTO, CA 95814

Alternate Location for Teleconference Participation

Office of Board of Trustees
Los Angeles Community College District
770 Wilshire Boulevard, First Floor
Los Angeles, CA 90017
(213) 891-2046

Deputy State Treasurer Patricia Wynne, serving as chair, called the meeting to order at 1:35 p.m.

Roll Call

Members Present: Patricia Wynne for Bill Lockyer, State Treasurer, Chair
Jeffrey Brownfield for John Chiang, State Controller, Vice Chair
Anne Sheehan for Michael C. Genest, Director, Department of Finance
Sylvia Scott-Hayes via teleconference

Members Absent: Michael L. Jackson

Staff Present: Jose Gomez, Executive Director
Charles Fitzpatrick, Operations Manager

The Chair declared a quorum present.

Approval of Minutes

The minutes from the California Educational Facilities Authority's (CEFA) June 28, 2007 meeting were approved. Anne Sheehan moved for approval of the minutes, Sylvia Scott-Hayes seconded the motion. The motion was adopted with a 4-0 vote.

Executive Director's Report

The Executive Director's Report was presented for the month of July 2007. Jose Gomez reported that as of June 30, 2007, CEFA had approximately \$3.767 billion in bonds outstanding with total bonds issued at just over \$7.483 billion. Mr. Gomez stated that bond activity during June included the closing of the equipment financing for the University of the Pacific for \$4.25 million and the closing of Stanford University's Series T-1 bonds for \$111.775 million. Mr. Gomez reported that there was no bond activity for the Student Loan Program and that \$34.535 million in bonds remained outstanding. Mr. Gomez reported that the fund balances for June were not available and would be presented as soon as the budget was passed.

Mr. Gomez thanked the Board Members for their comments on the streamlined bond financing application and informed them that the application had been posted on the CEFA website for the borrowers to use. He also reported that staff has been conducting site visits to recipients of the Academic Assistance Grant Program and was pleased to report that the schools visited so far have been operating very impressive programs.

Item #4

**Saint Mary's College of California
Resolution No. 247**

Summer Nishio stated that Saint Mary's College of California was requesting \$75,000,000 in bond financing to be used to fund several capital projects, including new construction, and the renovation of existing facilities. Ms. Nishio stated that bond proceeds would also be used to refund the CEFA Series 2001A, 2001B and 2003 bonds. Representing the College: Mr. Peter Michell, Vice President for Finance, Saint Mary's College of California; Mr. John Wang, Associate, Orrick, Herrington & Sutcliffe LLP, Bond Counsel; and Mr. Peter Evans, Principal, Banc of America Securities LLC, Underwriter.

Staff recommended the Authority approve Resolution No. 247 in an amount not to exceed \$75,000,000 for Saint Mary's College of California subject to a bond rating of at least an "A" by a nationally recognized rating agency and meeting the standard bond issuance guidelines for "A" rated debt.

Anne Sheehan moved for adoption of Resolution No. 247 and Sylvia Scott-Hayes seconded the motion. The motion was adopted with a 4-0 vote.

Item #5

Green Equipment Financing Program

Charles Fitzpatrick stated that staff had implemented a Simplified Equipment Financing Program in 2002 that was intended to provide CEFA borrowers with a simplified and standardized process to obtain tax-exempt financing specifically for the purchase of equipment. As an incentive to attract prospective borrowers to the program, the Authority approved a reduced fee structure for the equipment financings. Mr. Fitzpatrick stated that in reviewing recent equipment financings, staff had identified an opportunity to create a second equipment financing program that would provide an incentive to purchase equipment with an associated environmental benefit such as renewable resource use, increased energy efficiency, air quality improvement, water quality improvement, improved resources management, or any other environmentally related purpose. Mr. Fitzpatrick stated that staff would provide further information to the Board at a future meeting, as well as a proposed fee reduction for borrowers using the Green Equipment Financing Program.

There being no public comment, the meeting was adjourned at 1:45 p.m.

Respectfully submitted by,

Jose A. Gomez
Executive Director