

**CALIFORNIA EDUCATIONAL
FACILITIES AUTHORITY (CEFA)**

5th Floor Conference Room
915 Capitol Mall, Room 587
Sacramento, California 95814

Alternate Location for Teleconference Participation

University of Southern California
3601 Trousdale Parkway
Office of Vice President for Student Affairs
Student Union 201
Los Angeles, CA 90089-4891

February 28, 2008

Deputy State Treasurer Patricia Wynne, serving as chair, called the meeting to order at 1:30 p.m.

Roll Call

Members Present: Patricia Wynne for Bill Lockyer, State Treasurer, Chair
Dave O' Toole for John Chiang, State Controller, Vice Chair
Vince Brown for Michael C. Genest, Director, Department of Finance
Michael L. Jackson via teleconference

Members Absent: Sylvia Scott-Hayes

Staff Present: Jose Gomez, Executive Director
Barbara Liebert, Executive Director Interim
Ronald Washington, Deputy Executive Director

The Chair declared a quorum present.

Approval of Minutes

The minutes from the California Educational Facilities Authority's (CEFA) January 31, 2008, meeting were approved. Vince Brown moved for approval of the minutes, Michael Jackson seconded the motion. The motion was adopted 3 ayes, 1 abstain (O' Toole).

Executive Director's Report

The Executive Director's Report was presented for January 31, 2008. Jose Gomez reported that as of January 31, 2008, CEFA had approximately \$3.76 billion in bonds outstanding with total bonds issued at approximately \$7.85 billion. The Occidental College financing has priced and is scheduled to close in early March, and the University of La Verne financing is scheduled to price and close in March. The CEFA fund balance as of January 31, 2008, was \$4,979,821 reflecting expenditures of \$44,556 and Fees & SMIF Interest earnings of \$64,560.

Mr. Gomez reported that as of January 31, 2008, the Student Loan Program had issued approximately \$265.3 million in bonds, with \$31.4 million in bonds currently outstanding. The Student Loan Program Fund balance as of January 31, 2008, was \$7,317,877 reflecting expenditures of \$1,188 and SMIF Interest earnings of \$89,936.

Mr. Gomez stated that CEFA and CHFFA have been working with several borrowers addressing the recent changes in the bond market, specifically, the auction rate and variable rate markets. In addition, the

Authority's financial advisor, John Bonow with Public Financial Management, would be providing a briefing for both Authorities on the dynamics of the current market during the CHFFA board meeting.

Mr. Gomez introduced Barbara Liebert, who will be serving as Executive Director of CEFA in his absence, and who also serves as Executive Director of CHFFA.

Ms. Liebert presented a brief overview of the actions that CEFA and CHFFA might possibly take in the next month to assist borrowers with the severe status of the market and its impact on auction rate securities and the variable market. She stated that the 17.5% of CEFA debt outstanding is affected by it and that a great number of institutions need relief quickly.

Item #4

**University of La Verne
Amended Resolution No. 249**

Summer Nishio stated that the University of La Verne (the "University") was requesting an amendment to Resolution No. 249, originally approved at the September 27, 2007 Authority meeting. The original resolution authorized bonds to be sold on or before March 27, 2008. This amendment would extend the expiration date of the authorization to sell bonds to September 25, 2008. Ms. Nishio stated there have been no material changes in the University's financial position since the original approval, and the pricing of the bonds had been delayed due to extenuating circumstances. The University was requesting this amendment as a precautionary measure.

Staff recommended the Authority approve the amended resolution to extend the expiration date of the authorization to sell bonds to September 25, 2008 in an amount not to exceed \$22,500,000 for the University of La Verne, subject to all prior provisions and conditions remaining unchanged and in full effect.

After some discussion, Vince Brown moved for adoption of the Amended Resolution and Dave O'Toole seconded the motion. The motion was adopted with a 4-0 vote.

Item #5

**Appointing Executive Director
On An Interim Basis
Resolution No. 2008-02**

Ronald Washington stated that the Authority is empowered by Section 94125 to employ an Executive Director to enable the Authority to properly perform the duties imposed by law and that Barbara Liebert has been nominated to serve as the Interim Executive Director until such time that Jose Gomez returns from his leave of absence.

Vince Brown moved for adoption of the Resolution and Michael Jackson seconded the motion. The motion was adopted with a 4-0 vote.

No public comment, the meeting was adjourned at 1:45 p.m.

Respectfully submitted by,

Barbara Liebert
Executive Director