

MINUTES

CALIFORNIA EDUCATIONAL
FACILITIES AUTHORITY (CEFA)
5th Floor Conference Room
915 Capitol Mall, Room 587
Sacramento, California 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

Thursday, October 29, 2009

1:30 PM

Deputy Treasurer Patricia Wynne, serving as chairperson, called the CEFA meeting to order at 1:32 p.m.

CEFA Roll Call

Members Present: Patricia Wynne for Bill Lockyer, California State Treasurer, Chairperson
John Hiber for John Chiang, California State Controller, Vice-Chairperson
Tom Sheehy for Michael C. Genest, Director, Department of Finance
Sylvia Scott Hayes via teleconference

Absent: Michael L. Jackson

Staff Present: Ronald Washington, Executive Director

The Chairperson declared a quorum present.

Approval of CEFA Minutes

The minutes from the California Educational Facilities Authority's ("CEFA") October 8, 2009 meeting were approved. Tom Sheehy moved for approval of the minutes; Sylvia Scott-Hayes seconded the motion. The motion was adopted with a 4-0 roll-call vote.

CEFA's Executive Director's Report

Mr. Washington reported that as of September 30, 2009, CEFA had issued bonds totaling approximately \$9,512,468,538 and currently had \$4,648,114,923 in bonds outstanding. Mr. Washington reported that as of September 30, 2009, the CEFA fund balance was \$4,967,188, reflecting income of \$77,294 and expenditures of \$43,763.

Mr. Washington reported that the Student Loan Program had issued \$265,372,500 in bonds, with \$22,105,000 in bonds currently outstanding. As of September 30, 2009, the fund balance for the Student Loan Fund was \$7,586,406.

Mr. Washington gave an account on the CDLAC allocation process that he reported on at the last Board Meeting, stating that staff was continuing to work with ALL Student Loan on utilizing the funds from the Student Loan Fund, but was not in the position to move forward at this time. Mr. Washington said that

staff would continue to explore ways to utilize the Student Loan Fund balance. In addition, Mr. Washington stated that he was in the process of requesting that the Green Building Council attend a future Authority meeting in order to speak to the Board regarding the LEED Certification process.

Mr. Washington reported that the annual audit for CEFA is complete, noting that the auditors had one finding in regards to the Loan Loss Reserve Fund for the Student Loan Cal Loan Program. Mr. Washington stated that he has worked with the auditors and ALL Student Loan to put corrective action into place.

Mr. Washington reported that staff received two bids on a Request for Proposal for Financial Advisor for the Bond Sale and Related Services. Mr. Washington said that staff was in the review process and would be posting the award in the following week.

Mr. Washington welcomed Rosalind Brewer and introduced her as the new Deputy Executive Director for CEFA and CHFFA.

Item #4

**University of Southern California
Amendment to Resolution No. 256**

Chairperson Wynne stated that she would be recusing herself from the University of Southern California's financing do to a potential conflict of interest. Chairperson Wynne turned the meeting over to Mr. Hiber, Vice-Chairperson and left the room.

Ms. Nishio of staff stated that the University of Southern California ("USC") was seeking Authority approval to amend Exhibit A of Resolution No. 256 and Exhibit A of the Loan Agreements related to the CEFA Series 2009A and 2009B bonds to add the construction of a Student Health Center to the authorized project lists. Ms. Nishio stated that this project was not included in the original Exhibit A due to the lack of required CEQA documentation. Since then, USC has provided CEFA with the proper documentation that satisfies CEFA's CEQA requirements. Resolution No. 256 was originally adopted at the May 29, 2008 CEFA Board meeting. Representing the Borrower via teleconference: Mr. Glenn Cavagnaro, Associate Treasurer, University of Southern California.

Staff recommended the Authority approve the amended Exhibit A of Resolution No. 256, as well as Exhibit A of the 2009A and 2009B Loan Agreements, to include an additional project to the authorized project list, subject to all prior provisions and conditions remaining unchanged and in full effect

Tom Sheehy moved for adoption of the Resolution and Sylvia Scott-Hayes seconded the motion. The motion was adopted with a 3-0 roll-call vote.

Chairperson Wynne re-entered the Board Room. Mr. Hiber turned the meeting back over to Chairperson Wynne.

With no public comment for CEFA, the meeting was adjourned at 1:44 p.m.

Respectfully submitted,
Ronald L. Washington
Executive Director