

MINUTES

CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY (“CEFA”)

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

Thursday, April 17, 2014

1:30 PM

Deputy Treasurer Michael Paparian, serving as Chairperson, called the CEFA meeting to order at 1:31p.m.

CEFA Roll Call

Members Present: Michael Paparian for Bill Lockyer, State Treasurer, Chairperson
Alan Gordon for John Chiang, State Controller, Vice-Chairperson
Eraina L. Ortega for Michael Cohen, Director, Department of Finance
Stacy Lewis Daher

Member Absent: William McGinnis

Staff Present: Ronald L. Washington, Executive Director
Rosalind Brewer, Deputy Executive Director

Chairperson Paparian declared a quorum present.

The minutes from the CEFA January 30, 2014 meeting were approved. Mr. Gordon moved for approval of the minutes; Ms. Ortega seconded it. Motion adopted 3-0-1 abstention (Stacy Lewis Daher).

CEFA’s Executive Director’s Report

Mr. Washington presented the Executive Director’s reports as of January 31, 2014 and February 28, 2014 that reflected total and outstanding debt and program balances and noted the top ten borrowers remained relatively unchanged. Mr. Washington reported on the Student Loan Program Fund page of the Executive Director’s report as of February 28, 2014, the amount of \$5,178,030 was expended to pay off the outstanding bonds for the Cal Loan Program.

Mr. Washington reported that ALL Student Loan (“ALL”) received three bids for the sale of the loans related to the Cal Loan Program. The bids were in the range of the estimated amounts provided by ALL’s consultant, Student Loan Capital Strategies. Mr. Washington stated the sale of the loans is expected to close at the end of this month and a draft purchase contract is being reviewed at this time.

Mr. Washington provided a brief update on legislation associated with CEFA.

- **AB 1668** (Wieckowski) Private Placement – This bill would amend CEFA’s statute to allow CEFA to issue private placement loans.
- **AB 2377** (Perez) California Student Loan Refinancing Program – CEFA has been working with the Assembly Speaker’s office to develop a loan program for college graduates to refinance existing private student loans.

- **SB 798** (DeLeon) College Access Tax Credit – This bill would allow CEFA to create a fund in which tax credits by individuals or businesses would be deposited with CEFA and applied as a tax credit for the borrower or institution with the California Franchise Tax Board tax credit. The funds on deposit with CEFA would then be transferred to the Student Aid Commission for the purposes of making Cal Grants for incoming and continuing students.

**University of the Pacific
Resolution No. 296**

Item # 4

Ms. Brewer reported two changes to the staff report: 1) on page three, Section II Guidelines Discussion, first bullet point, “accredited investor” was added to the sentence beginning with “Qualified Affiliate” 2) in the Resolution, Exhibit A, Description of the Project, was amended to read “located at 155 5th Street”.

Tyler Bui reported University of the Pacific (“Pacific”) requested the Authority’s approval to issue bonds in an amount not to exceed \$36,500,000 to repay and retire a variable rate line of credit with Wells Fargo Bank initially used to construct, renovate, and equip portions of the Dugoni School of Dentistry at Pacific’s San Francisco campus. Mr. Bui stated a portion of the bond proceeds will also be used for additional construction, renovation, and equipping portions of Pacific’s San Francisco campus for other programs outside of the Dugoni School of Dentistry.

Representing University of the Pacific: Bayani Jol Manilay, Assistant Vice President/Chief Investment Officer, Borrower; Jenna Magan, Partner, Orrick, Herrington & Sutcliffe LLP, Bond Counsel.

Via Telephone:

Emily S. Weissman, Underwriter and Betsy O’Brien, Banker, JPMorgan Chase Bank, N.A., Purchaser; Nathan H. B. Odem, Partner, Anna M. Anderson, Counsel, Chapman and Cutler LLP, Purchaser Counsel; and Stepan Haytayan, Attorney General’s Office, Issuer’s Counsel.

Staff recommended the Authority approve Resolution No. 296 in an amount not to exceed \$36,500,000 for the University of the Pacific as an unrated Direct Bank Placement. Macias Gini & O’Connell, LLP, the Authority’s financial analyst, and Public Financial Management, the Authority’s financial advisor, agreed with the Authority’s staff recommendations.

Mr. Gordon moved for adoption of the Resolution and Ms. Ortega seconded it. Motion adopted 4-0.

With no public comment, the CEFA meeting was adjourned at 1:45p.m.

Respectfully submitted,

Ronald L. Washington
Executive Director