



California State Treasurer Fiona Ma, CPA

Press Release

FOR IMMEDIATE RELEASE

**PR 21:30
May 4, 2021**

**Contact: [Noah Starr](#)
(916) 653-2995**

State Treasurer Fiona Ma Announces the Sale of Sustainability and Climate Bonds for Stanford University

Sacramento – California State Treasurer Fiona Ma announced the successful completion of a \$300.4 million tax-exempt revenue bond sale for Stanford University, one of the world’s leading teaching and research institutions, by the California Educational Facilities Authority (CEFA). These bonds have been certified as both Sustainability Bonds and Climate Bonds. The proceeds will be used to refund previous CEFA bonds as well as to finance or refinance certain projects. The bonds priced on April 7, 2021.

“This financing provides the multi-pronged benefits of greenhouse gas emission reductions, health equity research, affordable housing, and systemic and academic equity,” said Treasurer Ma. “I hope more California colleges will follow Stanford’s lead.”

With the sale, Stanford becomes the first university in the nation to sell bonds with both certifications.

“This combination of bond designations represents a first, not only for Stanford but for U.S. higher education. Such an achievement could only happen because of our persistent and deliberate actions – in all corners of our campus community – to curb our carbon footprint and to reduce social inequities,” Stanford President Marc Tessier-Lavigne said. “From our founding grant, Stanford has always strived to benefit the world around us. We recognize that we must operate by the same rigorous standards that we apply to research and scholarship, as we work to advance solutions to the urgent needs of our planet.”

The bonds will be used to provide new money for Stanford capital improvement projects, refinance commercial paper and pay down a revolving line of credit (also used for Stanford capital improvement projects), and refund previous CEFA bonds. Projects funded by

the bonds qualify as Sustainability Bonds because they directly contribute to Stanford's pursuits of health equity research (through the Stanford School of Medicine and the Center for Academic Medicine), affordable housing (through the Escondido Village Graduate Residences and the Middle Plaza at 500 El Camino Real), and systemic and academic equity initiatives (through a number of projects). In addition, they qualify as Climate Bonds because they fund projects that will enable continued growth while aligning with Stanford's anticipated trajectory to reach zero scope greenhouse gas emissions by 2030.

The 30-year fixed rate revenue bonds were sold by underwriters BofA Securities, Inc.; Wells Fargo Bank, N.A.; Morgan Stanley & Co., LLC; and Siebert Williams Shank & Co., LLC. The bonds are rated Aaa by Moody's Investors Service, AAA by Fitch Ratings and AAA by S&P Global Ratings. The all-in true interest rate on the bonds is 2.43 percent.

CEFA was established in 1973 as the state's vehicle for providing financial assistance to private, non-profit institutions of higher learning through loans funded by the issuance of tax-exempt conduit revenue bonds. Since inception, CEFA has issued 379 bonds on behalf of 59 college and universities throughout California.

Conduit revenue bonds issued by CEFA are special, limited obligations payable solely from payments made by the underlying borrower pursuant to the transaction documents and from funds and accounts established under the transaction documents, and CEFA shall not be directly or indirectly or contingently or morally obligated to use any moneys or assets of CEFA for all or any portion of payment to be made pursuant to the bonds.

For more information on the CEFA Bond Financing Program, please visit [CEFA's website](#).

###

Fiona Ma is California's 34th State Treasurer. She was elected on November 6, 2018 with more votes (7,825,587) than any other candidate for treasurer in the state's history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world's fifth-largest economy and Treasurer Ma is the state's primary banker. Her office processes more than \$2 trillion in payments within a typical year. She provides transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma oversees an investment portfolio of about \$107.4

billion, \$34 billion of which are local government funds. She serves as agent for sale for all State bonds, and is trustee on outstanding debt of \$93 billion.

For more news about the State Treasurer's Office, please follow Treasurer Ma on Twitter at [@CalTreasurer](#), Instagram at [caltreasurer](#), and on Facebook at [California State Treasurer's Office](#).