

**MINUTES**

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY  
(Authority)**

**First Floor Conference Room  
901 P Street, Room 102  
Sacramento, California 95814**

Public Participation  
Call-In Number: (877) 810-9415  
Participant Code: 6535126

February 29, 2024, 1:30 P.M.

**OPEN SESSION**

Chief Deputy Treasurer Patrick Henning, Chair, called the meeting to order at 1:30 P.M.

SB 544 changed the Bagley-Keene Act effective January 1st, 2024 to require a quorum of the Board to appear together in a physical location.

The Secretary announced to the public joining in by phone the instructions for being heard.

**Item #1 Roll Call**

Members Present: Patrick Henning for Fiona Ma, CPA, State Treasurer  
David Oppenheim for Malia M. Cohen, State Controller, Vice-Chair  
Michele Perrault for Joe Stephenshaw, Director, Department of Finance

Members Absent: Debra Martin  
Kelly Ratliff

Staff Present: Carolyn Aboubechara, Interim Executive Director  
Bianca Smith, Deputy Executive Director  
Careen Prince, Staff Services Analyst

Chair Henning declared a quorum present.

**Item #2 Approval of the Minutes from the December 7, 2023 Meeting (Action Item)**

Chair Henning asked if there were any changes, questions, or public comment; there were none.

**Authority Action**

Motion to approve the minutes from the December 7, 2023 meeting.

MOTION: Member Oppenheim                      SECONDED: Member Perrault

AYES: .....Members Perrault, Oppenheim, Henning

NOES: .....NONE

ABSTAIN: .....NONE

RECUSE: .....NONE

MOTION APPROVED

**Item #3** **Executive Director’s Report (Information Item)**  
**Contract Delegation of Powers Update**

Interim Executive Director Aboubechara reported that the Authority had entered into an interagency agreement with the State Treasurer’s Office Public Finance Division for \$150,000 for three years to act as Agent for Sale on all bond issuances.

Interim Executive Director Aboubechara reported that the Authority had entered into an interagency agreement with the California School Finance Authority (CSFA) for \$500,000 for three years to work together to develop and implement the California Student Housing Revolving Loan Program.

Member Oppenheim asked for confirmation whether the agreement with CSFA was within delegated authority, and Interim Executive Director Aboubechara confirmed that the contract delegation authority was increased to \$500,000 in December 2023.

Chair Henning asked if there were any additional questions or public comment; there were none.

**Item #4** **California Student Housing Revolving Loan Program**  
**(Information Item)**

Interim Executive Director Aboubechara gave an update on the California Student Housing Revolving Loan Program (Program), which was established to provide zero-interest loans to qualifying colleges and universities to fund affordable student, faculty, and staff housing. The Authority would be responsible for administering loans to the University of California (UC) and the California State University (CSU) systems, while the California School Financing Authority (CSFA) would be responsible for loans to community colleges. Interim Executive Director Aboubechara reported that due to the Governor’s Proposed Budget as of January 10, 2024, which reversed the Program’s funding, the development of the Program would be put on hold.

Since the last update to the Authority in September 2023, Authority staff worked closely with CSFA, its consultants, and STO counsel to hold stakeholder meetings and to develop draft regulations and an application. Authority staff provided the proposed regulations and application to key stakeholders, including the UC Office of the President and CSU Office of the Chancellor for review and feedback.

Interim Executive Director Aboubechara reported that key stakeholder feedback was summarized in the staff report and that due to the unique feedback the Authority received from key stakeholders regarding the security and collateral for the loans, the Authority and CSFA would need to diverge from the original intent to keep the regulations and application identical for both authorities. Interim Executive Director Aboubechara reported that both UCOP and CSU suggested an unsecured loan backed by the full faith of both systems rather than project revenues. The Authority would need to hire bond counsel to look at the security structure and has opted to wait until funding was reallocated to continue work on the Program with assistance from bond counsel.

Member Oppenheim asked whether intersegmental projects would still be possible.

Interim Executive Director Aboubechara explained that both the Authority and CSFA would include language prioritizing intersegmental projects in their respective regulations.

Chair Henning expressed support for the program and asked if there were any additional questions or public comment; there were none.

**Item #5****College Access Tax Credit Fund Taxable Year 2023 Update  
(Information Item)**

Staff Member Prince reported on the College Access Tax Credit Fund (Fund) for taxable year (TY) 2023. Staff Member Prince noted that the Fund received nearly \$1.5 million from 68 individual contributions during TY 2023, a 38% increase from the prior year. Since inception, the Fund received over \$51.6 million in contributions. Assembly Bill 1400 (AB 1400) was passed in September 2023, which changed the target population benefiting from the Fund to students that attended regionally accredited Historically Black Colleges and Universities and had an associate degree for transfer memoranda of understanding on file with the office of the Chancellor of the California Community Colleges. Staff Member Prince reported that the Authority's administrative responsibilities had not changed due to AB 1400.

Member Oppenheim asked how interested parties may contribute to the Fund.

Interim Executive Director Aboubechara explained that anyone interested in contributing may go to the Authority website and fill out an application. Upon receipt of a contribution, the Authority would provide the tax credit documentation to the contributor. Half of the contribution goes to the General Fund to support the tax credit, the Authority claims a small portion for administrative costs, and the remaining portion of the contribution goes to the California Student Aid Commission for grants.

Chair Henning asked if there were any additional questions or public comment; there were none.

**Agenda Items #6 and #7****Public Comment and Adjournment**

Chair Henning asked for public comment. Hearing none, the meeting adjourned at 1:45pm.