

CSU Institute
401 Golden Shore, 5th Floor
Long Beach, CA 90802-4210

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MINUTES OF MEETING OF CSU INSTITUTE BOARD
Chancellor's Office
401 Golden Shore, 6th Floor, Rm. 511

July 17, 2019

1:30 PM

Board of Directors Present

1. Timothy White, Chairman
2. Loren Blanchard, Secretary
3. Steven Relyea, Treasurer
4. Garrett Ashley, Director
5. Evelyn Nazario, Director

Staff Present

1. Michelle Chung, Manager, Short Term and Equipment Finance
2. Robert Eaton, Assistant Vice Chancellor, Finance and Treasury
3. Mary Ek, Assistant Vice Chancellor, Financial Services
4. Syrus En, Director, Short Term and Structured Financing
5. Stephanie Honda, Assistant Director, Financial Services Administration
6. Sheralin Klinthong, Director Financial Reporting and Review

Chairman White called the meeting to order at 1:36 pm.

Meeting minutes were taken by Stephanie Honda.

Item 1 – CSU Institute Board Minutes – January 10, 2019 (Action)

Chairman White queried the Board for comments regarding the January 10, 2019 CSU Institute Board of Directors meeting minutes. Hearing no questions or concerns, Chairman White requested a motion to approve the minutes. Treasurer Relyea moved to approve the minutes. Director Ashley seconded the motion. Approved 5-0.

Item 2 – Update on the California State University Commercial Paper Program (Information)

Mr. Eaton referred the Board to his prepared information item and indicated that as of July 8, 2019 the commercial paper portfolio had a balance of \$109,659,000 at an average rate of 1.27%. Since the last report to the Board, the portfolio balance had increased by \$50,177,000. Further, Mr. Eaton shared that the commercial paper pay off date is expected to be on October 3, 2019 with the proceeds from the bonds to be issued on August 1, 2019. The proceeds of the bond sale equated approximately \$646M.

CSU Campuses
Bakersfield
Channel Islands
Chico
Dominguez Hills
East Bay

Fresno
Fullerton
Humboldt
Long Beach
Los Angeles
Maritime Academy

Monterey Bay
Northridge
Pomona
Sacramento
San Bernardino
San Diego

San Francisco
San José
San Luis Obispo
San Marcos
Sonoma
Stanislaus

Of that, \$449.43M were Series A tax exempt bonds and \$81.33M were proceeds from Series B taxable bonds. Mr. Eaton explained that CSU Institute had a forward refunding of approximately \$65.24M and will deliver those bonds in January. He shared that the rates are currently low and it was in this organization's best interest to pay the forward premium. There was also \$50M in short term bonds that were remarketed for 6 years. The overall interest rate is 3.29% on the tax exempt portion. The interest rate on the taxable bonds is 3.43%.

Item 3 – Approve Fiscal Year 2018-2019 Budget (Action)

Mr. Eaton presented the annual CSU Institute Budget for Fiscal Year 2019 – 2020. The budget methodology and principals remain unchanged from prior years. The budget is managed to break even. The one difference is that personnel costs have increased to reflect current salaries and effort of staff who support CSU Institute activities.

Chairman White requested a motion to approve the resolution Agenda Item 3. Treasurer Relyea moved to approve. Secretary Blanchard seconded the motion. Approved 5-0.

Item 4 – Sign Conflict of Interest Forms (Action)

Ms. Ek informed the Board that Chairman White has approved Director Ashley's re-appointment to the CSU Institute Board of Directors for another term.

Ms. Ek presented the Conflict of Interest Forms for each board member to sign. She explained that the forms are to be signed annually. Each board member signed and returned the form to Ms. Ek.

Meeting was adjourned at 1:52.


Approved by Dr. Loren Blanchard
Secretary, CSU Institute Board of Directors

8/21/2019
Date