

MINUTES OF MEETING OF CSU INSTITUTE BOARD

Chancellor's Office
401 Golden Shore, 6th Floor, Rm. 639
Long Beach, CA

May 13, 2013
3:05 pm – 3:20 pm

Board Directors Present

1. Timothy P. White, Chair
2. Ephraim P. Smith, Secretary
3. Benjamin F. Quillian, Treasurer
4. Garrett Ashley, Director
5. Gail Brooks, Director

Staff Present

1. George V. Ashkar, Assistant Vice Chancellor, Financial Services
2. Robert Eaton, Senior Director, Financing and Treasury
3. Mike Redmond, Senior Director, CO Budget and Special Initiatives, Audit Committee Member
4. Jean Gill, Assistant Controller, Financial Services Accounting
5. Kelly Cox, Associate Director, Financial Services Accounting
6. Syrus En, Senior Financial Manager, Financing and Treasury

Treasurer Quillian called the meeting to order at 3:05 pm.

Minutes were taken by staff (Syrus En).

Approval of the Institute Board minutes of January 30, 2013 (action item)

Treasurer Quillian asked for a motion to approve the minutes from the Institute Board meeting on January 30, 2013, with the amendment, per Chair White's request, that Chair White's letters of appointment for Director Ashley and Director Brooks be incorporated as part of the minutes. Secretary Smith moved and Director Ashley seconded the motion. The minutes were approved unanimously.

Presentation of an update of the Institute's commercial paper program (information item)

Robert Eaton presented an information item regarding an update of the Institute's commercial paper program (Program).

Eaton stated that the Program's outstanding commercial paper balance is approximately \$68 million with a weighted average interest rate of 16 basis points. A rough breakdown of projects in the Program includes San Diego State Aztec Shops, University Towers Renovation of approximately \$10 million, three longer term projects of approximately \$30 million, and equipment financings of approximately \$28 million. Eaton noted that the pipeline of Board of Trustees-approved projects continues to be light, with certain campuses electing to use campus reserves to pay for project costs

upfront rather than going to commercial paper. Chair White asked if other projects, such as the electrical equipment that failed and caused the recent shut down at the Fresno campus, or other deferred maintenance projects, could be financed with commercial paper. Eaton explained that certain types of equipment could be financed in the program, but larger deferred maintenance projects with longer tenors would need to be tied to a longer term bond financing approved by the Board of Trustees. Eaton also added that the CSU's vendor equipment financing program would be another option for certain types of equipment projects.

Chair White requested that, going forward, a written information item be prepared for the commercial paper program update. Eaton indicated that this would be done.

Presentation of the 2013 Institute Board of Directors Roster (information item)

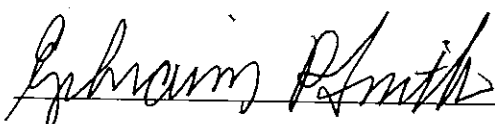
Treasurer Quillian requested George Ashkar to present a roster of the Institute board including its new directors. The roster included staff to the Institute. Chair White noted that the appointment dates for Director Ashley and Director Brooks needed to be corrected. Ashkar agreed to make the changes. (A corrected roster is attached.)

Audit Committee Appointments—Fulfilling the Requirement That Two Directors Serve on Each Committee (action item)

Treasurer Quillian requested from Ashkar to present the item. Ashkar noted that the Institute by-laws require at least two Directors to serve on each Institute committee. The Institute's only committee—the Audit Committee—does not have any Directors, thus two need to be appointed to that committee. Treasurer Quillian recommended that Directors currently not serving as officers of the Institute—Director Ashley and Director Brooks—be named to the Audit Committee. Treasurer Quillian asked if there were any questions and, as there were none, asked for a motion to approve Director Ashley and Director Brooks as members of the Audit Committee. Secretary Smith so moved and Chair White seconded the motion. The item was approved unanimously. Ashkar noted that the Audit Committee charter would be updated accordingly.

Meeting was adjourned at 3:20 pm.

Respectfully submitted,



Ephraim P. Smith, Secretary

5-31-2013

Date