

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

www.calstate.edu

MINUTES OF MEETING OF CSU INSTITUTE BOARD
Videoconference

June 5, 2020
11:00 AM

Board of Directors Present

1. Timothy White, Chairman
2. Loren Blanchard, Secretary
3. Garrett Ashley, 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 11:00 AM.

Meeting minutes were taken by Stephanie Honda.

Item 1 – CSU Institute Board Minutes – November 4, 2019 (Action)

Chairman White queried the Board for comments regarding the November 4, 2019 CSU Institute Board of Directors meeting minutes. Hearing no questions or comments, Chairman White requested a motion to approve the minutes. Mr. Ashley moved to approve the minutes. Dr. Blanchard seconded the motion. Approved 3-0.

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

Mr. Eaton discussed the prepared information item with the Board. Mr. Eaton highlighted that as of June 1, 2020 the commercial paper portfolio had a balance of \$129,054,000 at an average rate of 0.23%. Continuing the discussion, Mr. Eaton shared that on June 3, 2020, Finance and Treasury rolled commercial paper at an average rate of 0.13%. Mr. Eaton noted that these are historically very low interest rates. Finance and Treasury is positioning most of the outstanding commercial paper for payoff in the ensuing months following a bond sale planned for this summer. Mr. Eaton also informed the Board that the letter of credit facility was renewed for 5 years at 0.37%, down from 0.41%, saving the Institute approximately \$125,000/year on letter of credit fees.

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

Item 3 –Approve Fiscal Year 2020 – 2021 Budget (Action)

Mr. Eaton presented the annual CSU Institute Budget for Fiscal Year 2020 – 2021. The budget methodology and format remain unchanged from prior years with sections for campus projects, equipment financing program, and general administrative budget with the bulk of the activity in campus projects. Mr. Eaton expects less activity in the upcoming fiscal year and therefore less commercial paper outstanding.

Chairman White asked Mr. Eaton if the Institute needs to adjust the budgeting or capacity for the commercial paper program over the next two to three years to account for the failure of Proposition 13, transitioning to on-line courses and downturn in the economy due to the pandemic. Mr. Eaton responded that, structurally, the Institute will accommodate these factors. Ms. Ek added that campuses can also use CARES Act funding for instructional technology needs related to the pandemic.

Chairman White requested a motion to approve the CSU Institute Budget for Fiscal Year 2020-2021. Secretary Blanchard moved to approve. Director Ashley seconded the motion. Approved 3-0.

Conflict of Interest Forms (Information)

Ms. Ek informed the Board that the annually signed conflict of interest forms will be routed for signature.

Meeting was adjourned at 11:20.

Loren Blanchard

Loren Blanchard (Jun 15, 2020 16:28 PDT)

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

Jun 15, 2020

Date