

Meeting of the Board
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
September 19, 2013
Room 515 North Office Building
Harrisburg, Pennsylvania
10:54 a.m. Prevailing Time

MINUTES

1. Call to Order, Filing of Proof of Sunshine Notice and of Sending Notice of the Meeting, Roll Call and Announcement of Quorum.
2. Approval of the Minutes of the Meeting of July 2, 2013.
3. Audit Committee Meeting.
4. Old Business.
5. New Business.
6. Adjournment.

1. CALL TO ORDER, FILING OF PROOF OF SUNSHINE NOTICE AND OF SENDING NOTICE OF THE MEETING, ROLL CALL AND ANNOUNCEMENT OF QUORUM.

With a quorum of the Board being present, the meeting of the Board of the Pennsylvania Higher Educational Facilities Authority was called to order on Thursday, September 19, 2013 at 10:54 a.m. prevailing time, in Room 515 North Office Building, Harrisburg, Pennsylvania. The proof of the Sunshine advertisement and certification in regard to sending the notice of meeting is attached to these minutes and identified as Appendix "A".

Board Members Present

Brian Zweiacher, (Proxy for Governor Thomas W. Corbett)
Jennifer Smeltz, (Proxy for Senator Michael J. Folmer)
Lisa Felix, (Proxy for Senator Andrew E. Dinniman)
Sean Dempsey, (Proxy for Representative Warren E. Kampf)
Alan Cohn, (Proxy for Representative Anthony M. DeLuca)
Christopher Craig, (Proxy for Treasurer Robert M. McCord)
Christal Pike-Nase, (Proxy for Auditor General Eugene A. DePasquale)
James Henning, (Proxy for Secretary of General Services Sheri L. Phillips)
Lori Graham, (Proxy for Acting Secretary of Education Carolyn Dumaresq)

Authority Personnel Present

Robert Baccon, Executive Director
David Player, Comptroller
Beverly Nawa, Administrative Officer

Also Present

William McCarty, Esquire, Hartman Underhill & Brubaker LLC
Stephen Tuckey, General Counsel, Office of the Republican Leader, House of Representatives
Steven Heuer, Director, Bureau of Revenue, Capital and Debt, Governor's Budget Office

Participated Via Conference Call

Lynn Freeman, Esquire, Buchanan Ingersoll & Rooney, PC

2. APPROVAL OF THE MINUTES OF THE MEETING OF JULY 2, 2013.

A copy of the minutes of the meeting of July 2, 2013, was distributed to the Board Members prior to this meeting. It is therefore recommended that consideration be given to the adoption of the following Resolution:

RESOLVED That the minutes of the PHEFA meeting of July 2, 2013, be and hereby are approved as presented.

Upon **MOTION** by **Ms. Pike-Nase**, and **SECONDED** by **Mr. Dempsey**, and after full discussion, the above Resolution was approved at the PHEFA Board Meeting of September 19, 2013.

3. AUDIT COMMITTEE MEETING.

Chairperson Zweiacher explained that the Audit Committee met on June 28, 2013 to discuss the 2013 audit. He asked Ms. Pike-Nase if she had any comments.

Ms. Pike-Nase indicated that the Audit Committee meeting went very well and that they had no edits to the financial statements. The exit conference will be held on October 3rd. The Department of the Auditor General might have some concerns about higher legal expenses. They will bring that up at the exit conference and they will make sure that the Board hears about it at the next meeting.

Mr. Player mentioned that the Audit Committee also reviewed the Investment Policy which is in conjunction with the Board's annual review. The committee had no changes to the Investment Policy. Mr. Player had copies of the policy available for Board Members.

4. OLD BUSINESS.

Chairperson Zweiacher said that there was one item of old business to discuss.

Mr. Baccon explained that we received a request from the Treasurer's Office regarding the Authority's ability to finance projects for foundations, primarily to build student housing. Staff has passed this request on to counsel and have asked for a legal opinion.

Mr. Craig explained that going through the Act at a cursory level, it appears that while the Treasurer has the ability, if a college were to incur debt and unable to make a payment, to intercept the payments that are otherwise due to the college and make a payment to the shareholders. It is not based on an intercept agreement. It is part of the statute. It is a remedy. That language says payments to a college. He is not aware of any payments to foundations. Therefore that remedy may not exist depending on the relationship between the college and the foundation, if the debt is being incurred by the foundation. These are questions. They are not statements. They will review what counsel says. He wants members to fully understand the consequences when dealing with entities that take great pains to legally separate themselves from the associated colleges and universities. He appreciates the Board and the Chairman indulging in these questions and he looks forward to a response.

Chairperson Zweiacher asked if there was any other old business to come before the Board, and hearing none, he moved to new business.

5. NEW BUSINESS.

Chairperson Zweiacher asked if there was any new business to come before the Board, and hearing none, he asked for a motion to adjourn.

6. ADJOURNMENT.

There being no further business to come before the Board at this time, upon **MOTION** by **Mr. Dempsey**, and **SECONDED** by **Ms. Pike-Nase**, the PHEFA Board Meeting was adjourned at 11:00 a.m.

SUNSHINE ACT MEETING NOTICES

Thursday, September 5, 2013

**If you need an accommodation due to a disability,
please contact the ADA contact name listed below.**

RESCHEDULED: State Board of Nursing Meeting: September 10, 2013, 8:30AM. 2601 N. 3rd St., HBG

Contact Name: Nicole Thurstin 787-6604

CANCELLED: State Board of Massage Therapy Meeting: September 10, 2013,

9:30AM. 2601 N. 3rd St., HBG

Contact Name: Nicole Thurstin 787-6604

CANCELLED: State Board of Nursing Home Administrators Meeting:

September 11, 2013, 9:00AM. 2601 N. 3rd St., HBG

Contact Name: Nicole Thurstin 787-6604

PA Apprenticeship and Training Meeting: September 12, 2013, 10:00 AM. Labor &

Industry Bldg., 17th Fl. Conference Rm., HBG

Contact Name: Debra Wagner 787-4671

Managed Care Delivery System Subcommittee Meeting: September 12, 2013,

10:00 AM. DGS Complex in the Clothes Tree Conference Ctr., HBG

Time: 10 AM- 12 PM.

Contact Name: Paula Matters 772-6196

RESCHEDULED: State Board of Funeral Directors Meeting: September 13, 2013, 11:00 AM. 2601 N. 3rd St., HBG

Contact Name: Nicole Thurstin 787-6604

SPECIAL: PA Higher Educational Facilities Authority Meeting: September 19,

2013, 10:30 AM. North Office Bldg., Rm. 515, HBG

Contact Name: Bev Nawa 975-2204

SPECIAL: State Public School Building Authority Meeting: September 19, 2013, 10:30 AM. North Office Bldg., Rm 515, HBG.

Contact Name: Bev Nawa 975-2204

Consumer Subcommittee Meeting of the Medical Assistance Advisory Committee: September 25, 2013, 1:00 PM. Health & Welfare Bldg., Rm.

129, HBG Time: 1 PM - 3 PM.

Contact Name: Daniel Sorge 772-6341

Medical Assistance Advisory Committee Meeting: September 26, 2013 11:00 AM. Temple University Harrisburg, Lecture Hall 246/248, 234 Strawberry Sq., HBG Time: 10 AM- 12 PM.

Contact Name: Daniel Sorge 772-6341

The Public Private Transportation Partnership Board Meeting: September 27,

2013, 1:00PM. Keystone Bldg., PUC Hearing Rm. 1, 2nd Fl., 400 North St., HBG This meeting is open to the public. Attendees must enter through the North Street

entrance and take the North Street elevators to the 2nd floor. If you need

an accommodation due to a disability, please contact the PADOT at 717-214-

4035 at

least 24 hours in advance so arrangements can be

made. Contact Name: Kathryn Tartaglia 214-

7222]]>

Appeared in: *Patriot-News* on Thursday, 09/05/2013

STATE PUBLIC SCHOOL BUILDING AUTHORITY
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
Notice of the Meeting of the Board to be Held
September 19, 2013

Notice was in letterform, as follows:

This letter advises that a meeting of the State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority Boards will be held on **Thursday, September 19, 2013**, at **10:30 a.m.**, in **Room 515 North Office Building, Harrisburg**, Pennsylvania, for the purpose of: (a) approving certain projects for financing; and (b) consideration of such other matters as may properly come before the Board.

Enclosed herewith is a copy of the notice that has been posted on the bulletin board in the Authority office, in accordance with Act No. 213, 1957.

I would appreciate it if you would make the appropriate notation on the attached slip, indicating whether or not you plan to be present at the meetings and return same to us.

Sincerely,

/s/ Robert Baccon

Robert Baccon
Executive Director

Enclosures

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Harrisburg, PA

I CERTIFY that the notice on the previous page for the September 19, 2013, meetings was dispatched to the following on August 28, 2013, at the addresses indicated, constituting all of the members of the Board of the State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority.

Thomas W. Corbett, Governor of Pennsylvania
225 Main Capitol Building, Harrisburg, PA
Peter J. Tartline, Proxy for Governor Corbett
7th Floor, Verizon Tower, Harrisburg, PA
Michael J. Folmer, Designated by the President Pro Tempore of the Senate
170 Main Capitol Building, Harrisburg, PA
Andrew E. Dinniman, Designated by the Minority Leader of the Senate
183 Main Capitol Building, Harrisburg, PA
Warren E. Kampf, Designated by the Speaker of the House of Representatives
422 Irvis Office Building, Harrisburg, PA
Anthony M. DeLuca, Designated by the Minority Leader of the House of Representatives
115 Irvis Office Building, Harrisburg, PA
Robert M. McCord, State Treasurer
129 Finance Building, Harrisburg, PA
Eugene A. DePasquale, Auditor General
229 Finance Building, Harrisburg, PA
Sheri L. Phillips, Secretary of General Services
515 North Office Building, Harrisburg, PA
Carolyn C. Dumaresq, Acting Secretary of Education
333 Market Street - 10th Floor, Harrisburg, PA

GIVEN under my hand and seal this 28th day of August 2013.

/s/ Robert Baccon

Robert Baccon, Executive Director
State Public School Building Authority
Pennsylvania Higher Educational Facilities Authority