

Meeting of the Board  
**PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY**  
September 22, 2011  
**SPSBA/PHEFA Conference Room**  
1035 Mumma Road  
Wormleysburg, Pennsylvania  
11:00 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 May 26, 2011.
3. Audit Committee Report.
4. Approval of Projects.
  - A. Resolution Authorizing the Execution of Amendments and Other Documents in Connection with Bonds Issued in 2006 on Behalf of Student Association, Inc.
  - B. Resolution Authorizing the Undertaking of Certain Projects on Behalf of Various Colleges and Universities Located in the Commonwealth of Pennsylvania, Pursuant to a Financing Program Sponsored by the Association of Independent Colleges and Universities of Pennsylvania (“AICUP”).
5. Old Business.
6. New Business.
7. 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 22, 2011 at 11:00 a.m. prevailing time, at the SPSBA/PHEFA Office, 1035 Mumma Road, 2<sup>nd</sup> Floor, Wormleysburg, 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**

Rick Dreher, (Proxy for Governor Thomas W. Corbett)  
Karen Seivard, (Proxy for Senator Jeffrey E. Piccola)  
Eileen Flinn, (Proxy for Senator Andrew E. Dinniman)  
Representative John C. Bear  
Alan Cohn, (Proxy for Representative Anthony M. DeLuca)  
Christopher Craig, (Proxy for State Treasurer Robert M. McCord)  
Christal Pike-Nase, (Proxy for Auditor General Jack E. Wagner)  
James Henning, (Proxy for Secretary of General Services Sheri L. Phillips)  
Nichole Duffy, (Proxy for Secretary of Education Ronald J. Tomalis)

**Authority Personnel Present**

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

**Also Present**

William McCarty, Esquire, Hartman Underhill & Brubaker  
Linda Eremita, Managing Director, M&T Securities  
Stephen Tuckey, Esquire, Office of the Republican Leader of the House of Representatives

**Participated Via Conference Call**

Margaret Angel, Esquire, Buchanan Ingersoll & Rooney, PC  
Charles Brodbeck, Esquire, Cohen & Grigsby  
Gavin Murrey, Director, Morgan Keegan & Company  
Leigh Ann Lincoln, Chief Financial Officer, Student Association Inc. at California University of Pennsylvania  
Keith Skirpan, Senior Accountant, Student Association Inc. at California University of Pennsylvania

## **2. APPROVAL OF THE MINUTES OF THE MEETING OF MAY 26, 2011.**

A copy of the minutes of the meeting of May 26, 2011, 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 May 26, 2011, be and hereby are approved as presented.

Upon **MOTION** by **Representative Bear**, and **SECONDED** by **Ms. Pike-Nase**, and after full discussion, the above Resolution was approved at the PHEFA Board Meeting of September 22, 2011.

## **3. AUDIT COMMITTEE REPORT.**

Ms. Pike-Nase explained that the Audit Committee meeting had to be rescheduled because of the flooding in Harrisburg. It occurred on September 16<sup>th</sup>. The meeting went very well. The only major issue was that the charter, which was adopted in May of 2005, should be updated. The Committee is working on doing this now. The Committee received an e-mail and she would like comments by October 7<sup>th</sup>.

Chairperson Dreher asked what some of the reasons were to update the charter.

Ms. Pike-Nase explained that the major reason was that they did not have a requirement for a quorum. There are also some other issues that they will try to incorporate. Dave Player has already sent her some good edits. There were some good provisions in the charter, but as governments have been changing, they might be able to tighten up some of the requirements.

The Audit Committee also met privately with the Auditors from KPMG and they had very positive comments about the staff cooperation especially with Dave.

Ms. Pike-Nase offered meeting minutes to any interested Board Members.

Upon **MOTION** by **Ms. Pike-Nase**, and **SECONDED** by **Representative Bear**, and after full discussion, the PHEFA Board accepted the Audited Financial Statements at the PHEFA Board Meeting of September 22, 2011.

#### **4. APPROVAL OF PROJECTS.**

##### **A. Resolution Authorizing the Execution of Amendments and Other Documents in Connection with Bonds Issued in 2006 on Behalf of Student Association, Inc.**

Mr. Baccon explained that the Student Association, Inc. has requested that the Board approve actions necessary to include the conversion of the Variable Rate Demand Revenue Bonds, Series A of 2006 to a different interest rate mode, the execution and delivery of amendments to the Bonds, the Trust Indenture and other documents relating to the Bonds and the related remarketing of the Bonds.

Morgan Keegan & Co. is the Remarketing Agent for the Bonds. The Bank of New York Mellon Trust Co. is the Trustee. At the request of the Corporation, the Office of General Counsel appointed Cohen & Grigsby as the Bond Counsel for this issue.

The Resolution in your agenda approves all of the actions necessary in connection with the Bonds.

Charles Brodbeck, Esquire, Cohen & Grigsby and Gavin Murrey, Director, Morgan Keegan & Company are available by conference call to answer questions.

Chairperson Dreher asked if this was to replace Remarketing Agents or to change liquidity providers. He asked what is the underlying intent of the actions before the Board.

Mr. Murrey mentioned that Leigh Ann Lincoln and Keith Skirpan from SAI were also on the phone.

He explained that they are currently in a letter of credit backed mode with Citizens Bank and Allied Irish Bank. Given the problems in Ireland, Allied Irish Bank's letter of credit interest rates have gone up significantly. Primarily what they are doing is getting out of the LOC mode and moving to a fixed rate mode.

Chairperson Dreher asked if they were any other questions from Board Members, and hearing none, he asked for a motion to adopt the Resolution.

**RESOLUTION OF THE  
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY  
AUTHORIZING CERTAIN ACTIONS  
IN CONNECTION WITH THE SERIES A OF 2006 BONDS  
PREVIOUSLY ISSUED ON BEHALF OF  
STUDENT ASSOCIATION, INC.**

**DOCKET NO. 540**

WHEREAS, the Pennsylvania Higher Educational Facilities Authority (the "Authority") previously issued \$84,425,000 aggregate principal amount of its Variable Rate Demand Revenue Bonds, Series A of 2006 (Student Association, Inc. Student Housing Project at California University of Pennsylvania) (the "Bonds"); and

WHEREAS, the Bonds were issued to finance a project (the "Project") on behalf of Student Association, Inc. (the "Corporation") consisting of (i) the demolition of existing buildings and the acquisition, construction, equipping and furnishing on-campus student housing on the main campus of California University of Pennsylvania consisting of approximately 352 beds and the construction, furnishing and equipping of related improvements; (ii) the current refunding of the Authority's outstanding Variable Rate Demand Revenue Bonds, Series A of 2005 (Student Association, Inc. Student Housing Project at California University of Pennsylvania), (iii) funding of capitalized interest and any necessary reserves; (iv) payment of the costs of bond insurance and/or another form of credit and/or liquidity enhancement; and (v) payment of costs of issuing the Bonds; and

WHEREAS, the Bonds were issued pursuant to a Trust Indenture dated as of June 1, 2006, as previously amended and supplemented, and as amended and restated by an Amended and Restated Trust Indenture dated as of October 1, 2010 (the "Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A. (successor trustee to J.P. Morgan Trust Company, National Association), as trustee (the "Trustee"), and the proceeds from the sale of the Bonds were loaned by the Authority to the Corporation pursuant to the terms of a Loan Agreement dated as of June 1, 2006 between the Authority and the Corporation, as previously amended and supplemented, and as amended and restated by an Amended and Restated Loan Agreement dated as of October 1, 2010 (the "Loan Agreement"). The Bonds are limited obligations of the Authority, payable only from payments made by the Corporation under the Loan Agreement; and

WHEREAS, the Bonds initially bore (and currently bear) interest at a Weekly Rate (as defined in the Indenture), with liquidity and credit support for the Bonds initially provided by a letter of credit (the "Letter of Credit") issued by Citizens Bank of Pennsylvania ("Citizens"); and

WHEREAS, as a result of developments in the credit markets in 2009, including developments with respect to the parent of Citizens, Royal Bank of Scotland, the Corporation requested, and the Authority approved, the issuance of a confirming letter of credit by the

Federal Home Loan Bank of Pittsburgh (“FHLB”) to further secure the Bonds and the amendment of the terms and provisions of the Bonds in the documents relating thereto, including the Indenture and the Loan Agreement, resulting in a reissuance of the Bonds for federal income tax purposes; and

WHEREAS, the confirming letter of credit issued by FHLB expired in 2010 and the Bonds were divided into two series, Series A-1 and Series A-2, each in the original principal amount of \$40,895,000, with Citizens issuing a letter of credit to secure the Series A-1 Bonds and Allied Irish Banks, plc ("AIB") issuing a letter of credit to secure the Series A-2 Bonds; and

WHEREAS, continued uncertainty in the credit markets has caused the Corporation to determine that it wishes to convert the Bonds from a variable rate letter of credit-backed structure to a fixed rate structure; and

WHEREAS, Deutsche Bank has agreed to purchase the Bonds at a fixed rate subject to the Corporation entering into certain hedging agreements with it.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. The Authority does hereby approve and authorize the following documents and actions relating to the Bonds: (a) the conversion of the Bonds from the Weekly Mode to the Term Mode (as such terms are defined in the Indenture); (b) the execution and delivery of an amendment, supplement or amendment and restatement of (i) the Bonds; (ii) the Indenture, as previously amended and supplemented, and (iii) the Loan Agreement, as previously amended and supplemented (which amendments may include, among other things, changing certain redemption features of the Bonds, provisions relating to certain hedging agreements which may be entered into by the Corporation, and the addition of certain rights and remedies of a bondholder owning 100% of the Bonds); (c) the execution of and distribution by the remarketing agent for the Bonds of a remarketing circular, Official Statement supplement or other remarketing document (the "Remarketing Circular") to be used in connection with the remarketing of the Bonds and execution and delivery of any other document or instrument that may be required in connection with the remarketing of the Bonds; (d) the execution and delivery of any document or instrument and taking of any other action that may be required in connection with or as a result of a reissuance of the Bonds for federal income tax purposes, including without limitation Form 8038 to be filed with the Internal Revenue Service; and (e) any other document to which the Authority is a party and which is required in connection with the foregoing; all documents and instruments authorized by the foregoing to be in such form as shall be acceptable to bond counsel, the Attorney General of the Commonwealth, the Office of General Counsel, and Authority counsel and as shall be approved by the Executive Director or Assistant Executive Director of the Authority.

2. The President, the Vice President, the Executive Director or the Assistant Executive Director of the Authority, and each of them is hereby authorized to execute, acknowledge and deliver in the name and on behalf of the Authority, and the Secretary or Assistant Secretary and each of them, is hereby authorized to attest and affix the official seal of the Authority to each of the aforesaid documents. The execution of the aforesaid documents as

hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of said documents.

3. Any Remarketing Circular which may be used in connection with the remarketing of the Bonds shall be in such form as shall be approved by the Executive Director or the Assistant Executive Director of the Authority with the advice of Bond Counsel. The Executive Director or the Assistant Executive Director is hereby authorized to execute any such Remarketing Circular in the name and on behalf of the Authority, and such execution by the Executive Director or Assistant Executive Director of the Authority shall constitute conclusive evidence of the Authority's approval of such documents. The circulation and distribution of copies of any such Remarketing Circular in connection with the remarketing of the Bonds is hereby authorized.

4. The appropriate officers of the Authority are, and each of them is, hereby authorized to execute and deliver in the name and on behalf of the Authority such other documents and to take such other actions as they shall deem necessary in order to effectuate the actions described above with respect to the Bonds, all in accordance with this Resolution.

5. This Resolution shall take effect immediately upon its adoption, and all prior resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistencies.

Upon **MOTION** by **Representative Bear**, and **SECONDED** by **Ms. Pike-Nase**, and after full discussion, the above Resolution was approved at the PHEFA Board Meeting of September 22, 2011.

## EXHIBIT A

### STUDENT ASSOCIATION, INC. ACTIONS RELATING TO SERIES A OF 2006 BONDS

<b><u>Docket No.</u></b>	<b><u>County</u></b>	<b><u>Project Description</u></b>	<b><u>Maximum Amount to be Financed</u></b>
540	Washington	Approval of execution of various documents and taking of various actions in connection with the Authority's outstanding Series A of 2006 Bonds issued in 2006 on behalf of the Corporation.	N/A

**Term:** The Bonds mature on July 1, 2038 subject to optional and mandatory redemption as provided in the Indenture (and as may be amended in connection with the conversion of the Bonds to a fixed rate).

**Rate:** Currently Variable Rate (specifically a Weekly Rate); will be converted to a fixed interest rate; tax-exempt.

**Rating/Insurance:** The Bonds are currently rated by Standard & Poor's and/or Moody's. Credit and liquidity enhancement is currently provided for the Series A-1 Bonds in the form of a letter of credit issued by Citizens Bank of Pennsylvania and for the Series A-2 Bonds in the form of a letter of credit issued by Allied Irish Banks, plc. It is expected that the Bonds will be rated [BBB-] when the interest rate is fixed and the letters of credit are released.

**Underwriter/Remarketing Agent:** Morgan Keegan & Company, Inc.

**Bond Counsel:** Cohen & Grigsby, P.C.

**Trustee:** The Bank of New York Mellon Trust Company, N.A.

**Minority and/or Female Participation in this Financing:** To be determined by the Corporation in consultation with the Executive Director or Assistant Executive Director.

Approved by the PHEFA Board at its meeting of September 22, 2011.

#### **4. APPROVAL OF PROJECTS (CONTINUED).**

##### **B. Resolution Authorizing the Undertaking of Certain Projects on Behalf of Various Colleges and Universities Located in the Commonwealth of Pennsylvania, Pursuant to a Financing Program Sponsored by the Association of Independent Colleges and Universities of Pennsylvania (“AICUP”).**

Mr. Baccon explained that the Association of Independent Colleges and Universities of Pennsylvania or AICUP has asked that we issue Bonds through a program to finance and refinance capital projects for not-for profit colleges and universities and related institutions in Pennsylvania. Currently, Mount Aloysius College and Saint Francis University are participating in this issue. Descriptions of each project are included in your agendas.

M&T Securities is the Underwriter and The Bank of New York Mellon Trust Co. is the Trustee. At the request of AICUP, the Office of General Counsel has appointed Ballard Spahr as the Bond Counsel for this issue.

The Resolution in your agenda approves all of the actions necessary in connection with the issuance of the Bonds. Linda Eremita, Managing Director, M&T Securities is in attendance to answer questions.

Chairperson Dreher welcomed Ms. Eremita and AICUP back to the Authority.

Mr. Craig asked if Mount Aloysius and Saint Francis were to receive proceeds from the Bonds for the purposes of a project, would they be subject to prevailing wage requirements.

Mr. Baccon said that they would be subject to prevailing wage requirements.

Ms. Eremita said that both are receiving RCAP grants, so they have that requirement with the grants.

Mr. Craig asked if they have received the grants.

Mr. Eremita said that they have received their notifications and they have executed what needed to be executed. Now it is a matter of getting the matching funds through this issue.

Chairperson Dreher asked if they were any other questions from Board Members, and hearing none, he asked for a motion to adopt the Resolution.

**RESOLUTION OF THE  
PENNSYLVANIA HIGHER  
EDUCATIONAL FACILITIES AUTHORITY  
AUTHORIZING  
THE UNDERTAKING OF CERTAIN PROJECTS ON BEHALF OF  
VARIOUS COLLEGES AND UNIVERSITIES LOCATED IN  
THE COMMONWEALTH OF PENNSYLVANIA  
PURSUANT TO A FINANCING PROGRAM SPONSORED BY  
THE ASSOCIATION OF INDEPENDENT COLLEGES AND UNIVERSITIES  
OF PENNSYLVANIA**

**DOCKET NOS. 613 & 614**

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. The Pennsylvania Higher Educational Facilities Authority (the “Authority”) shall undertake the financing of certain costs of the projects set forth in Exhibit A hereto (each a “Project”, and collectively, the “Projects”) at the request of the Association of Independent Colleges and Universities of Pennsylvania (“AICUP”), the sponsor of a financing program (the “Program”) involving the issuance of bonds (the “Bonds”) in separate series to finance and refinance capital projects for not-for-profit colleges, universities and related educational institutions located in the Commonwealth of Pennsylvania (each an “Institution”, and collectively, the “Institutions”); provided, however, that the Executive Director or the Assistant Executive Director of the Authority shall have the power to add, delete or substitute for any component of the Projects, but only to the extent permitted by The Pennsylvania Higher Educational Facilities Authority Act of 1967, as amended (the “Act”), and the federal income tax laws from time to time in effect.

2. It is proposed that (i) each Project identified in Exhibit A will be financed with a loan or loans by this Authority to the respective Institution of the proceeds of one or more series of Bonds as indicated on Exhibit A attached hereto, (ii) each such loan will be made pursuant to a separate Loan Agreement (the “Loan Agreement”) between the respective Institution and this Authority, (iii) each such series of Bonds will be issued and secured pursuant to a separate Trust Indenture (the “Trust Indenture”) between this Authority and The Bank of New York Mellon Trust Company, N.A., or another bank or trust company approved by the Executive Director or the Assistant Executive Director of the Authority upon recommendation of the Institutions (the “Trustee”), under which certain of this Authority’s rights under the respective Loan Agreement will be pledged to the Trustee for the benefit of the holders of such Bonds and the respective letter of credit banks, if applicable (the “Bank” or “Banks”), and (iv) the timely payment of principal and interest on certain of the series of Bonds may be supported by a separate Letter of Credit issued by a Bank pursuant to a separate Reimbursement Agreement between the Bank and the respective Institution under which such Institution will be obligated to make reimbursement payments with respect to drawings on the respective Letter of Credit.

3. The Bonds bearing interest at a variable rate are to be designated “Pennsylvania Higher Educational Facilities Authority Revenue Bonds (AICUP Financing

Program - [Institution] Project), Series 2011 R College & University Bank Bond Securities (CUBBS<sup>SM</sup>)” (or any such other designation as may be approved by the Executive Director or the Assistant Executive Director). The Bonds bearing interest at a fixed rate are to be designated “Pennsylvania Higher Educational Facilities Authority Revenue Bonds (AICUP Financing Program - [Institution] Project), Series 2011 JJ” (or any such other designation as may be approved by the Executive Director or the Assistant Executive Director). The Bonds are to be issued in separate series for each of the borrowing Institutions. The series of Bonds for each such Institution shall have a term not to exceed 30 years, shall bear interest at either a variable rate, in either a Weekly Mode, a Term Mode or a Libor-CUBBS Mode (each as defined in the Trust Indenture), or a fixed rate not to exceed the rate indicated for such series of Bonds on Exhibit A attached hereto, shall mature in such principal amounts and at such times, and shall be subject to redemption all as approved by the Executive Director or the Assistant Executive Director in consultation with each Institution and as further provided for in the Purchase Agreements hereinafter defined and described.

The Bonds shall be issued in such denomination and form and with such terms as shall be set forth in the Trust Indenture and approved by the Executive Director or Assistant Executive Director of the Authority. The execution of the Bonds with the signature or facsimile signature of the President of the Authority together with the official seal or a facsimile of the official seal of the Authority and the attestation thereof by the signature or facsimile signature of the Secretary of the Authority is hereby authorized. The Executive Director or the Assistant Executive Director of the Authority is hereby authorized to deliver the Bonds on behalf of the Authority, to or upon the order of the purchaser thereof, against receipt of the purchase price together with any accrued interest, all in accordance with the requirements of the particular Trust Indenture and/or any supplement thereto.

4. The President, any Vice President, the Executive Director or the Assistant Executive Director is hereby authorized on behalf of the Authority to negotiate with the underwriter hereinafter appointed for an acceptable proposal for the purchase of each series of Bonds issued hereunder on terms acceptable to AICUP and each respective Institution and to enter into a separate purchase agreement (each a “Purchase Agreement” and collectively, the “Purchase Agreements”) with each respective Institution and M&T Securities, Inc. as underwriter for such purpose in accordance with the terms of this Resolution, and the President, any Vice President, the Executive Director or the Assistant Executive Director of the Authority is hereby authorized to execute and deliver the respective Purchase Agreements on behalf of the Authority and to take such further action as he or she deems necessary or advisable to carry out the obligations of the Authority thereunder.

5. The Authority does hereby authorize the execution and delivery of the following documents relating to the issuance of Bonds of any series authorized hereunder and the financing of the Projects: the Trust Indentures, the Loan Agreements and the Purchase Agreements required in connection with the issuance of the Bonds, any remarketing agreements with respect to Bonds bearing interest at a variable rate and any other document to which the Authority is a party, including any required continuing disclosure agreements or escrow deposit agreements; all in such form as shall be acceptable to bond counsel, the General Counsel and Attorney General of the Commonwealth, and Authority counsel and as

shall be approved by the Executive Director or the Assistant Executive Director of the Authority.

6. The President, any Vice President, the Executive Director or the Assistant Executive Director of the Authority, and each of them is hereby authorized and directed to execute, acknowledge and deliver in the name and on behalf of the Authority, and the Secretary or Assistant Secretary, and each of them is hereby authorized to attest and affix the official seal of the Authority to, each of the aforesaid documents. The execution of the aforesaid documents as hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of said documents.

7. Any preliminary official statement or limited offering memorandum or composite preliminary official statement or limited offering memorandum (collectively, the "Preliminary Offering Document") and final official statement or limited offering memorandum or composite official statement or limited offering memorandum (collectively, the "Final Offering Document") which may be used in connection with the offer and sale of the Bonds shall be in such form as shall be approved by the Executive Director or the Assistant Executive Director of the Authority with the advice of bond counsel and counsel to the Authority. The Executive Director or the Assistant Executive Director is hereby authorized to execute any such Final Offering Document in the name and on behalf of the Authority, and such execution shall constitute conclusive evidence of the Authority's approval of such documents. The circulation and distribution of copies of any such documents in connection with the offer and sale of the Bonds is hereby authorized.

8. M&T Securities, Inc. is hereby appointed and authorized to act as the underwriter for the Bonds and to serve as Remarketing Agent for any series of Bonds issued at a variable rate. The Bank of New York Mellon Trust Company, N.A. is hereby appointed and authorized to act as Trustee. At the request of AICUP, the Office of the General Counsel has appointed Ballard Spahr LLP as the bond counsel for this issue.

9. The appropriate officers of the Authority are hereby authorized to take such further action and to execute and deliver in the name and on behalf of the Authority any and all other documents and certificates, in addition to those specified above, as they shall deem necessary or advisable in connection with the issuance of the Bonds and the implementation of this Resolution.

10. The appropriate officers of the Authority, including the President, the Vice President, the Executive Director and the Assistant Executive Director are, and each of them is, hereby authorized to approve, and to execute and deliver any supplement, amendment or agreement (an "Amendment") providing for any amendment or other change to any trust indenture, loan agreement, bond, instrument or other document executed and delivered with respect to the financing of the Projects (collectively, the "Bond Documents") requested by the Institutions and approved by all other necessary parties, provided that (a) the officer executing the Amendment shall have determined that the Amendment will not adversely affect the Authority, such determination to be conclusively evidenced by such officer's execution of the Amendment and (b) the Authority shall have received an opinion of counsel

in form and substance satisfactory to the Authority that (i) the Amendment is permitted under the Act and the Bond Documents, and (ii) the Amendment will not adversely affect the excludability from gross income of interest on the Bonds for purposes of federal income taxation.

11. The Trustee shall be, by virtue of this Resolution and without further authorization from the Authority, authorized, directed and requested to invest and reinvest all moneys available therefor pursuant to each Trust Indenture, which by the terms of such Trust Indenture may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted by such Trust Indenture, all subject to the terms and limitations contained in the Trust Indenture.

12. The appropriate officers of the Authority are, and each of them is, hereby authorized to execute and deliver in the name and on behalf of the Authority such other documents and to take such other action as they shall deem necessary or advisable in order to effectuate the financing of the Projects, the execution, delivery and receipt of the Trust Indentures, the Loan Agreements and the Purchase Agreements, the distribution of the Preliminary Offering Document and the Final Offering Document and the issuance and sale of the Bonds, all in accordance with this Resolution.

13. This Resolution shall take effect immediately upon its adoption, and all prior resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistencies.

Upon **MOTION** by **Ms. Flinn**, and **SECONDED** by **Ms. Pike-Nase**, and after full discussion, the above Resolution was approved at the PHEFA Board Meeting of September 22, 2011.

**EXHIBIT A**

**PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY  
REVENUE BONDS (AICUP FINANCING PROGRAM –  
MOUNT ALOYSIUS COLLEGE PROJECT),  
SERIES 2011 JJ1  
and  
SERIES 2011 R1 COLLEGE & UNIVERSITY BANK BOND SECURITIES  
(CUBBS<sup>SM</sup>)**

<b><u>Docket No.</u></b>	<b><u>County</u></b>	<b><u>Project Description</u></b>	<b><u>Maximum Amount To be Financed</u></b>
613	Cambria	(a) construction of a multi-functional Convocation Center to include two gymnasiums, a wellness center, classroom space, and other support facilities, providing a venue for competition sports, commencements, and other campus events; (b) infrastructure improvements; (c) certain additional miscellaneous capital expenditures including, without limitation, improvements and equipping of facilities; and (d) the payment of certain costs of issuing the Bonds.	\$10,000,000

**Institution:** Mount Aloysius College.

**Term:** Not more than 30 years.

**Rate:** Fixed Rate not to exceed 7.00% per annum and/or Variable Rate.

**Rating:** To be determined.

**Underwriter:** M&T Securities, Inc.

**Bond Counsel:** Ballard Spahr LLP.

**Trustee:** The Bank of New York Mellon Trust Company, N.A.

**Minority and/or Female Participation:** McElwee & Quinn (a female-owned firm) will serve as the printer.

Prevailing wages will be used on the construction portion of this project.

Approved by the PHEFA Board at its meeting of September 22, 2011.

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CUBBS<sup>SM</sup> is a service mark of the Association of Independent Colleges and Universities of Pennsylvania

**EXHIBIT A**

**PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY  
REVENUE BONDS (AICUP FINANCING PROGRAM – SAINT FRANCIS  
UNIVERSITY PROJECT), SERIES 2011 JJ2**

<b><u>Docket No.</u></b>	<b><u>County</u></b>	<b><u>Project Description</u></b>	<b><u>Maximum Amount to be Financed</u></b>
614	Cambria	(a) construction of a three story, approximately 65,000 square foot science building to replace existing science labs and classrooms; (b) renovation of Sullivan Hall to house the University's allied health program; (c) renovation of Schwab Hall to house the University's School of Business, (d) renovation of existing residence halls; (e) certain additional miscellaneous capital expenditures including, without limitation, improvements and equipping of facilities; (f) the funding of a debt service reserve fund; and (g) the payment of certain costs of issuing the Bonds.	\$16,500,000

**Institution:** Saint Francis University.

**Term:** Not more than 30 years.

**Rate:** Fixed Rate not to exceed 7.00% per annum and/or Variable Rate.

**Rating:** To be determined.

**Underwriter:** M&T Securities, Inc.

**Bond Counsel:** Ballard Spahr LLP.

**Trustee:** The Bank of New York Mellon Trust Company, N.A.

**Minority and/or Female Participation:** McElwee & Quinn (a female-owned firm) will serve as the printer.

Prevailing wages will be used on the construction portion of this project.

Approved by the PHEFA Board at its meeting of September 22, 2011.

**5. OLD BUSINESS.**

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

**6. NEW BUSINESS.**

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

**7. ADJOURNMENT.**

There being no further business to come before the Board at this time, upon **MOTION** by **Representative Bear**, and **SECONDED** by **Ms. Flinn**, the PHEFA Board Meeting was adjourned at 11:06 a.m.

**SUNSHINE ACT MEETING NOTICE**

Saturday, September 17, 2011

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

State Board of Nursing Meeting - September 19, 2011 - 9:00 A.M. - 2601 N. Third St., HBG

Contact Name - Brandi Barrick - 783-7192

**CANCELLED:** State Board of Psychology Meeting - September 19, 2011 - 9:00 A.M. -2601 N. Third St., HBG

Contact Name - Brandi Barrick - 783-7192

**RESCHEDULED:** Industrial Board Meeting - September 20, 2011 - 9:30 A.M. - L&I Bldg., Rm. 1626, HBG

Contact Name - Donna Suskie - 787-6115

**PA DOA,** Bureau of Food Dist., Emergency Food Assistance Advisory Committee Meeting - September 21, 2011 - 10:00 A.M. - PA DOA, Rm. 202, 2301 N. Cameron St., HBG

Contact Name - Melissa Seiple - 772-2695

\* Time: 10 - 4 P.M.

**RESCHEDULED:** PA DOA, PA State Horse Racing Committee Meeting - September 21, 2011 - 11:30 A.M. - New Bolton Ctr., Alumni Hall, 382 W. Street Road, Kennett Sq., PA

Contact Name - Dawn Patrick - 787-1942

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**SPECIAL:** State Public School Building Authority Meeting - September 22, 2011 - 10:30 A.M. - 2nd Fl., 1035 Mumma Rd., Wormleysburg

Contact Name - Bev Nawa - 975-2204

**SPECIAL:** PA Higher Educational Facilities Authority Meeting - September 22, 2011 - 10:30 A.M. - 2nd Fl., 1035 Mumma Rd., Wormleysburg

Contact Name - Bev Nawa - 975-2204

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**CANCELLED:** State Board of Physical Therapy Meeting - September 22, 2011 - 10:00 A.M. - 2601 N. Third St., HBG

Contact Name - Brandi Barrick - 783-7192

Stimulus Oversight Commission Meeting - September 22, 2011- 11:00 A.M. - Forum Pl., 7th Fl., Conf. Rm. 1, HBG

Contact Name - Eileen McNulty - 346-3266

**RESCHEDULED:** Department of Educational Teacher Tenure Appeal - September 22, 2011 - 2:00 P.M. - Office of Chief Counsel, 9th Fl., 333 Market St., HBG

Contact Name - Eunicejean Patrice - 787-5500

\* Appeal No. 03-11, Appeal of Richard W. Magliore, J.D. v. Philadelphia City School District and the School Reform Commission of Philadelphia. For special accommodations contact Eunicejean Patrice at 717-787-5500 Ext. 36945 for Assistive devices, Interpreter services, Braille Reading Machine, Enlarged Documents or a fully accessible bldg. will be provided upon request.

PA Energy Development Authority Board Meeting - September 23, 2011 - 10:00 A.M. - RCSOB, Rm. 105, HBG

Contact Name - Geri Krouse - 783-0540

State Board of Examiners in Speech-Language and Hearing Meeting - September 23, 2011 - 9:30 A.M. - Harrisburg-Hershey Holiday Inn, 604 Station Rd., Grantville

Contact Name - Brandi Barrick - 783-7192

**CANCELLED:** Industrial Board Meetings - September 27, 2011 - 9:30 A.M. - L&I Bldg., Rm. 1626, HBG

Contact Name - Donna Suskie - 787-6115

\* The 9-28-11 Industrial Bd. Meeting at 9:30 A.M. is also cancelled.

**RESCHEDULED:** PA DOA, PA State Harness Racing Committee Meeting - September 29, 2011 - 11:00 A.M. - PA Farm Show Complex & Expo Ctr., Keystone Conf. Ctr., Susquehanna Rm., (Rm. B), 2300 N. Cameron St., HBG

Contact Name - Dawn Patrick - 787-1942

PA Game Commission Meetings - October 03, 2011 - 8:30 A.M. - PA Game Commission Bldg., 2001 Elmerton Ave., HBG

Contact Name - Joan French - 787-7836

\* Meeting Purpose: To discuss Commission Business. Add'l. Mtg.: 10/4/11 same above time/location.

**RESCHEDULED:** Citizen's Advisory Council to DEP Meeting - October 03, 2011 - 6:00 P.M. - Ramada Inn Washington, Washington, Pa

Contact Name - Marsha Lohr - 783-2300

\* This set of meetings will run from 10/3/11 through 10/5/11. The 10/3/11 meeting will start at 6 P.M. and the 10/5/11 meeting will start at 1 P.M. all at the same above location.

DEP - Low-Level Waste Advisory Committee Meeting - October 06, 2011 - 10:00 A.M. - RCSOB, 1st Fl., Rm. 105, HBG

Contact Name - Cheryl Laatsch - 787-2163

## Appendix A

\* Time: 10 - 12:30 P.M. If you require an auxiliary aid, service or accommodations to participate in the proceedings, contact Cheryl Miller Laatsch at (717) 787-2163 or through the PA AT&T Relay Service at 1-800-654-5984 (TDD) to discuss how the Dept. may accommodate your needs.

**CANCELLED:** Citizen's Advisory Council to DEP Meeting - October 18, 2011 - 11:00 A.M. - RCSOB, Rm. 105, HBG

Contact Name - Marsha Lohr - 783-2300

\* TIME: 11-3 P.M.]]>

Appeared in: **Patriot-News** on Saturday, 09/17/2011

*Source: myPublicNotices.com*

STATE PUBLIC SCHOOL BUILDING AUTHORITY  
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY  
Notice of the Meeting of the Board to be Held  
September 22, 2011

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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 22, 2011**, at **10:30 a.m.**, at the **Authority Office, 1035 Mumma Road, Wormleysburg**, 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  
Assistant Executive Director

Enclosures

\* \* \* \* \*

Harrisburg, PA

I CERTIFY that the notice on the previous page for the September 22, 2011, meetings was dispatched to the following on September 6, 2011, 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  
Rick Dreher, Proxy for Governor Corbett  
7<sup>th</sup> Floor, Verizon Tower, Harrisburg, PA  
Jeffrey E. Piccola, Designated by the President Pro Tempore of the Senate  
173 Main Capitol Building, Harrisburg, PA  
Andrew E Dinniman, Designated by the Minority Leader of the Senate  
183 Main Capitol Building, Harrisburg, PA  
John C. Bear, Designated by the Speaker of the House of Representatives  
145B East Wing, 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  
Jack E. Wagner, Auditor General  
229 Finance Building, Harrisburg, PA  
Sheri L. Phillips, Secretary of General Services  
515 North Office Building, Harrisburg, PA  
Ronald J. Tomalis, Secretary of Education  
333 Market Street - 10th Floor, Harrisburg, PA

GIVEN under my hand and seal this 6th day of September 2011.

/s/ Robert Baccon

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