



A CALLED MEETING
GEORGIA HIGHER EDUCATION FACILITIES AUTHORITY
July 31, 2007
2:00 pm

The Georgia Higher Education Facilities Authority (“Authority”) held a called board meeting on July 31, 2007 at 2:00 p.m. in the offices of the Georgia State Financing and Investment Commission, 270 Washington Street, Suite 2141, Atlanta, Georgia. In attendance were: members, Celeste Osborn, Chair; and Diana Pope, Secretary and Treasurer. Members Dick Anderson and Gary Bishop participated in the meeting via conference call. Also in attendance were Lee McElhannon and Holly Green with the Georgia State Financing and Investment Commission staff (“GSFIC staff”); Tonya Curry with the Attorney General’s Office; and Karol Mason with Alston & Bird LLP. The purpose of this meeting was to approve a resolution authorizing the Authority to seek approval from the Georgia State Financing and Investment Commission (“Commission”) to issue a request for proposals to obtain underwriters and financial advisors as required, and to seek Commission approval to issue up to \$100,000,000 in revenue bonds. The meeting was called to order at approximately 2:06 p.m. by Celeste Osborn.

Ms. Osborn began the meeting by announcing that Ty Rakestraw would no longer be serving on the board of the Authority. Ms. Osborn explained that when Mr. Rakestraw’s congressional district status changed in January, he was not reappointed to serve on the board of the Department of Technical and Adult Education (“DTAE”). By

law, the Authority position Mr. Rakestraw occupied requires simultaneous appointment on DTAE's board. Therefore, he is no longer eligible to serve on the board of the Authority.

Ms. Osborn then asked Diana Pope to provide the Authority with a brief summary of progress on creation of the Authority's financing structure since the Authority's last meeting of November 28, 2006.

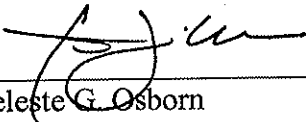
Ms. Pope informed the members that Karol Mason with Alston & Bird had been chosen to serve as the Authority's bond counsel and has been instrumental in assisting with the proposed financing structure. Ms. Pope stated that she and GSFIC staff have had some successful meetings with the Board of Regents to discuss financing structure, and that the Board of Regents is expected to approve a master list of projects for financing at its October meeting. Ms. Pope stated that the staff at GSFIC continues to work on refining the application process so that the Authority will be in a position to review projects submitted by the Board of Regents for financing. Ms. Pope stated that while DTAE will also be a part of this process, it is expected that DTAE will not submit as many projects for financing as the Board of Regents.

Ms. Pope stated that the main purpose of the meeting was to approve a resolution through which the Authority would seek the approval of the Commission to issue a request for proposals for underwriters and to issue revenue bonds in an amount not to exceed \$100,000,000. Ms. Pope stated that, contingent upon Commission approval, she would anticipate a meeting of the Authority in September or October to review and rate the responses received to the request for proposals for underwriters, and also to present the project financing application process to members for approval.


Mr. Anderson asked what would happen if the Board of Regents presented the Authority with a project list exceeding \$100,000,000. Ms. Pope stated if that were the case, that it would be necessary for the Authority to approve a resolution to issue additional revenue bonds, and that the Authority would need to seek Commission approval for the additional bond issuance as well. Ms. Osborn stated if the Board of Regents presented a project list exceeding \$100,000,000 that the Authority would ask the Board of Regents to prioritize its funding list so that the integrity of the bond cap could be maintained. Ms. Osborn stressed that the Authority must require satisfactory evidence from the Board of Regents and DTAE that the revenue stream of a proposed project is sufficient to support the debt issuance, because the Governor and the Commission feel very strongly that revenue bond issuances are still implied moral obligations of the state.

After this discussion, Mr. Anderson made a motion to approve the resolution (attached hereto and incorporated herein as Exhibit I) to seek Commission approval for the Authority to issue a request for proposals for underwriters and to issue revenue bonds in an amount not to exceed \$100,000,000. Mr. Bishop seconded the motion. The motion passed unanimously.

The members were thanked for their time and the meeting was adjourned at approximately 2:17 p.m.



Celeste G. Osborn
Chair



Diana Pope
Secretary and Treasurer

EXHIBIT I

RESOLUTION OF THE GEORGIA HIGHER EDUCATION FACILITIES AUTHORITY

WHEREAS, the Georgia Higher Education Facilities Authority (the "Authority") was created pursuant to O.C.G.A. § 20-16-3 et seq. and exists as a body corporate and politic deemed an instrumentality and a public corporation of the State of Georgia; and

WHEREAS, pursuant to O.C.G.A. § 20-16-4, the Authority is authorized to issue up to \$300 million in negotiable revenue bonds to finance projects and facilities of any unit of the University System of Georgia or of any unit which is under the control of the State Board of Technical and Adult Education; and

WHEREAS, in conformance with O.C.G.A. § 20-16-5, the Authority seeks to issue revenue bonds, the debt service for which will be paid solely from the property (including, but not limited to, real property, fixtures, personal property, revenues, or other funds) pledged, mortgaged, conveyed, assigned, hypothecated, or otherwise encumbered to secure or to pay such bonds; and

WHEREAS, in order to develop a bond program and the financing structure to support issuance of said revenue bonds, the Authority will request authorization from the Georgia State Financing and Investment Commission 1) to incur debt of up to \$100,000,000 and 2) to issue requests for proposals for underwriters and any financial advisors deemed necessary.

NOW THEREFORE, BE IT RESOLVED BY THE GEORGIA HIGHER EDUCATION FACILITIES AUTHORITY that the Chairman of the Authority is hereby authorized to request initial approval from the Georgia State Financing and Investment Commission 1) to incur debt of up to \$100,000,000 in the form of revenue bonds, the actual amount of which will be determined after a financial review and final approval of the projects by the Authority and 2) to issue requests for proposals for underwriters and any financial advisors deemed necessary; and

THEREFORE, BE IT FURTHER RESOLVED that the Authority will work with the staff of the Georgia State Financing and Investment Commission to develop the financing structure to support issuance of revenue bonds and to issue any necessary requests for proposals for underwriters or any financial advisors; and

THEREFORE, BE IT FURTHER RESOLVED that financing structure for the revenue bond transaction and the selection of underwriters will require a subsequent vote by the Authority and the final approval of the Georgia State Financing and Investment Commission.

ADOPTED this 31st day of July, 2007.

APPROVED:



Celeste Osborn
Chair
Georgia Higher Education Facilities Authority

ATTEST:



Diana Pope
Secretary and Treasurer
Georgia Higher Education Facilities Authority