Washington Higher Education Facilities Authority

Authority Meeting

May 8, 2020

WASHINGTON HIGHER EDUCATION FACILITIES AUTHORITY

WASHINGTON HIGHER EDUCATION FACILITIES AUTHORITY

Meeting Agenda

YOU ARE HEREBY NOTIFIED that the Washington Higher Education Facilities Authority will hold a **Special Meeting** at 1:00 p.m. prevailing Pacific Time on Friday, May 8, 2020 to consider the items in the agenda below.

Per the Governor's proclamation regarding the Open Public Meetings Act and Public Records Act (Proclamation 20-28) and due to extraordinary public-health circumstances related to the ongoing COVID-19 (coronavirus) outbreak, participation in this meeting will only be offered virtually.

To join virtually, please go to www.zoom.us and enter:

Meeting ID: 952 3368 7079
Password: 843551

Participants using a computer without a microphone who wish to participate verbally, please dial: 1-(888) 788-0099 U.S. toll-free

Please note that the line will be muted to the public except during the public comment portions of the meeting.

I. CALL TO ORDER: *Chair*

II. APPROVAL OF THE JANUARY 30, 2020 SPECIAL MEETING MINUTES: *Chair* 1

III. CONSIDER AND ACT ON THE FOLLOWING ITEMS:

A. Election of Secretary and Treasurer for one-year term – *Mr. Steve Walker* 2

B. Review and consider approval of WHEFA Policy revisions – *Ms. Carol Johnson* 3

C. Financing Resolution: Seattle University (Series 2020) – *Ms. Carol Johnson* 4

1. Introduction and Financial Update
2. Review and Act on RESOLUTION #20-03 for Seattle University authorizing issuance by the Authority of revenue bonds in an amount not expected to exceed $75,000,000. 5

D. Review and Act on RESOLUTION #20-04 authorizing the use and acceptance of electronic signatures – *Mr. Paul Edwards* 6

E. Finance Report – *Mr. Bob Cook*

1. Review and consider adopting the Annual Budget for the period July 1, 2020 – June 30, 2021 .... **7**
2. Review and Act on RESOLUTION #20-02 authorizing investment of Authority monies in the Local Government Investment Pool **8**
3. Consider and Act on approval of the current Financial Statement **9**

IV. INFORMATION ITEMS

A. Invoice for Services – *Mr. Bob Cook* **10**

B. Market Update – *Ms. Elizabeth Bergman, Director, Baker Tilly Municipal Advisors*

C. Washington Student Achievement Council (WSAC) Update

– *Mr. Michael Meotti, Executive Director, WSAC*

D. Bond Issue Status Report – *Mr. Paul Edwards* **11**

E. Executive Director's Report – *Mr. Steve Walker*

F. Authority Meeting Schedule – *Mr. Steve Walker*

1. August 6, 2020
2. November 5, 2020

V. PUBLIC COMMENT: *Chair*

VI. MISCELLANEOUS BUSINESS AND CORRESPONDENCE **12**

VII. EXECUTIVE SESSION (*if necessary*)

VIII. ADJOURN

TAB 1

Washington Higher Education Facilities Authority

MINUTES

January 30, 2020

Mr. Jerome Cohen, Board Secretary, called the special meeting of the Authority to order at 1:00 p.m.

Board Secretary, Mr. Cohen, was present in the Board Room, located at 1000 Second Avenue, 28th Floor in Seattle, WA 98104. Board members Mr. Michael Meotti, Ms. Claire Grace, Dr. Roy Heynderickx, and Dr. Gene Sharratt were all present by telephone.

Authority staff present were Mr. Steve Walker, Executive Director; Mr. Paul Edwards, Deputy Director; Mr. Bob Cook, Senior Finance Director; Ms. Carol Johnson, Affiliates Manager; and Ms. Rona Monillas, Program Assistant.

Also present were Ms. Faith Pettis and Mr. Will Singer of Pacifica Law Group, the Authority's bond counsel; Mr. Dan Gottlieb of Hillis Clark Martin & Peterson, the Authority's backup bond counsel; Mr. Michael Nelson II, Assistant Attorney General from the Washington State Attorney General's Office; and Ms. Christine Ok of U.S. Bank Corporate Trust.

Other meeting participants present were Mr. Thomas Toepfer and Mr. Steven Amano of Public Financial Management (PFM); Mr. Craig Kispert, Vice President for Business and Finance and Ms. Cherry Gilbert, Director of Budget and Finance, of Seattle Pacific University.

Introduction of the New Executive Director

Mr. Cohen introduced the new Executive Director, Steve Walker. Mr. Cohen shared a press release announcing Mr. Walker's new role as the Executive Director for the Washington State Housing Finance Commission and the Authority, an affiliate agency to the Commission.

Approval of the Minutes

Mr. Cohen asked for a motion to approve the minutes of the meeting held on November 12, 2019. Ms. Grace made the motion, and it was seconded by Dr. Sharratt. The minutes were approved unanimously, 5-0.

Action Item: Approval of Resolution #20-01 for Seattle Pacific University

Mr. Cohen introduced Ms. Johnson, the Authority's Manager, to present the staff recommendation for approval of Resolution No. 20-01.

Ms. Johnson stated that the board is considering a proposed issuance of tax-exempt revenue and refunding revenue bonds and taxable revenue bonds for Seattle Pacific University in an amount not to exceed $91,000,000. She added that the bonds will be issued in two series – one tax-exempt and the other taxable.

Ms. Johnson gave a brief summary of the transaction. She added that a public hearing for this transaction was held on January 7, 2020.

Ms. Johnson said that the bonds are scheduled to close on March 2, 2020 and are rated "A-" by Standard & Poor's (S&P). She further added that PFM's preliminary estimate of the interest savings is $1.7 million on a present value basis.

Mr. Kispert thanked the Authority for the opportunity to move the transaction forward. He said that in the last 20 years, the University has had very strong cash flows and has been able to buy several properties near its campus using existing cash flows. The University will probably recognize significant annual debt service savings and will be able to replenish close to $25 million in cash.

He said that they are very excited to have this transaction happen in the next couple of weeks.

Mr. Toepfer, the University's financial advisor, said that they are excited about this transaction because the University was able to reduce their risk profile. He mentioned that the strong operating performance and wealth levels of the University helped in attaining their "A-" rating from S & P. He added that this is a fixed rate transaction.

Dr. Sharratt commended the work of the University. Ms. Grace congratulated the University on their very good operating history and added that she is pleased that the Authority is able to help the University.

Mr. Cohen asked for a motion to approve Resolution No. 20-01. Dr. Heynderickx made the motion, and it was seconded by Dr. Sharratt. The resolution was approved unanimously, 5-0.

Action Item: Approval of Interagency Agreement with the Washington Student Achievement Council (WSAC)

Mr. Cohen introduced Ms. Johnson to present staff recommendations to approve the Interagency Agreement with the Washington State Student Achievement Council (WSAC).

Ms. Johnson presented a memo summarizing staff recommendations to authorize the Authority to enter into an Interagency Agreement with WSAC. She said that shared contracted services is a common practice among state agencies. She highlighted that the purpose of this agreement is to provide WSAC with financial advisory services and support for the new Washington Student Loan Refinancing Program created by the 2019 Workforce Education Investment Act. She added that under the Agreement, WSAC would be utilizing the services of Baker Tilly Municipal Advisors, LLC, one of the Authority's contracted financial advisors.

Mr. Meotti added that this kind of arrangement is what state agencies do when they are looking for professional services in areas in which they are not a regular consumer. He added that WSAC does not normally use a financial advisor.

Mr. Cohen asked if the service of a financial advisor will enable WSAC to do their work on the Student Loan Financing Program. Mr. Meotti said that this will enable them to conduct the Request for Proposals (RFP) and Request for Information (RFI).

Ms. Grace asked if the Authority will help design and implement the program. Mr. Meotti said that WSAC is simply asking the Authority to give them access to Baker Tilly's advice as they conduct the RFP and RFI.

Ms. Johnson stated that Mike Meotti will be recusing himself from the vote on this motion since he is the Executive Director of WSAC.

Mr. Cohen asked for a motion to approve the Interagency Agreement with the WSAC and to delegate to the WHEFA Executive Director the authority to negotiate the final terms and execute the Agreement. Ms. Grace moved the motion, and it was seconded by Dr. Sharratt. The Interagency Agreement was approved unanimously with one recusal.

Action Item: Review and Act on Resolution #20-02

Mr. Cohen postponed action on Resolution No. 20-02 authorizing investment of WHEFA monies in the Local Government Investment Pool (LGIP) until the next regularly scheduled board meeting. Board members needed more time to review the Resolution and the LGIP Prospectus.

Action Item: Acceptance of the Financial Statement

Mr. Cohen then introduced Mr. Cook to present the financial statement for consideration.

Mr. Cook stated that the unaudited financial statements for the period ending December 31, 2019, show assets of just over $1.49 million and approximately $341,000 of liabilities, leaving just over $1.1 million in net assets. He added that unrestricted revenue was approximately $383,000. Half of the revenue was from reinstating the 6 basis point fee on outstanding bond balances. Mr. Cook said that expenses to date are approximately $209,000, leaving a net position of about $173,000.

Ms. Grace moved acceptance of the financial statements, and it was seconded by Dr. Heynderickx. The motion was approved unanimously, 5-0.

Invoice for Services

Mr. Cohen then asked Mr. Cook to present the invoice for services.
Mr. Cook stated that the invoice from the Housing Finance Commission for October 1, 2019 through December 31, 2019 has been reviewed and approved for payment by the Treasurer, Ms. Grace.

Market Update

Mr. Cohen introduced Mr. Toepfer to present the market update.

Mr. Toepfer reported that the market has been steady noting unemployment at 3.5% and slow growth of the Gross Domestic Product (GDP).

Mr. Toepfer stated that the Federal Reserve announced that there will be no rate change. He added that consumer spending changed from moderate to strong and that the economy has been driven by the U.S. consumers for the longest time recorded.

Mr. Toepfer stated interest rates have been down about 1% compared to last year and emphasized that this is a great market for borrowers to be in. He showed a graph indicating that new issuance was up 22% in 2019 compared to 2018. He said that municipal bond funds have seen inflows throughout 2019, providing strong demand for tax-exempt debt.

Bond Issue Status Report

Mr. Cohen asked Mr. Edwards to present the bond issue status report.

Mr. Edwards stated that the next potential bond issue is approximately $16 million for Walla Walla University. The transaction is expected to be approved by the University's board on January 31, 2020. He added that the Authority is expecting to receive an application soon thereafter.

Mr. Edwards presented other potential bond issues from Seattle University, Heritage University, and Pacific Northwest University of Health Sciences totaling about $93 million.

Mr. Edwards highlighted that this fiscal year the Authority has successfully closed three bond issues totaling $118,765,000 with estimated present value (PV) savings of $3,274,236. He added that after SPU's closing on March 2, 2020, estimated total bonds issued in the current fiscal year will be $209,765,000 with total estimated PV savings of $5,341,176.

Executive Director's Report

Mr. Cohen then asked Mr. Walker to present the Executive Director's report.

Mr. Walker presented the Authority's annual report and thanked the staff for their efforts in creating it.

Mr. Walker announced that Dr. Heynderickx's second term on the WHEFA board will end on March 26. He recognized Dr. Heynderickx for his eight years of service as a board member to the Authority. Mr. Walker added that

WHEFA legislation states that one public member shall be the president of a higher education institution. He said that the Authority has been working with Dr. Terri Standish-Kuon, President and CEO of the Independent Colleges of Washington (ICW), to find a board replacement for Dr. Heynderickx.

Mr. Walker stated that the legislative session is in full swing and that the Authority is closely monitoring anything that could impact WHEFA or any of its programs.

Mr. Walker said that the next NAHEFFA Spring conference will be April 28-29 in Charleston, South Carolina. He asked board members who want to attend to inquire with Ms. Monillas

Mr. Walker gave a summary of relevant articles available in the board meeting packet. He added that the next board meetings are scheduled for May 7, 2020 and August 6, 2020.

Adjournment

Mr. Cohen adjourned the meeting at 1:49 p.m.

Mr. Jerome Cohen, Secretary   Date

TAB 2

Washington
Higher Education Facilities Authority
1000 Second Avenue, Suite 2700
Seattle, Washington 98104-1046

Tel: (206) 287-4403
Fax: (206) 587-5113

M E M O R A N D U M

DATE: May 1, 2020

TO: Authority Members

FROM: Carol Johnson

CC: Steve Walker, Paul Edwards, Bob Cook, Debra Stephenson

RE: **Election of Secretary and Treasurer**

Background:

The Secretary acts as chair of the Board when the Governor is not present. In addition to acting as chair, the Secretary may also be required to sign documents from time to time for the Authority. The position is open to any member of the Board, and there is no statutory limit on the number of times a member can hold the position.

The statute reads:

> *The Governor shall serve as chairperson of the Authority. The Authority shall elect annually one of its members as secretary. If the governor shall be absent from a meeting of the Authority, the secretary shall preside. RCW 28B.07.030 (3)*

In addition, the Authority has chosen in the past to elect a Treasurer. The Treasurer is elected to assure that there is specific Board attention to the financial affairs of the Authority. This position is usually elected at the same meeting in which the Secretary is elected.

The elected officer positions are currently held by Mr. Jerome Cohen as Secretary and Ms. Claire Grace as Treasurer.

Action:

The Board is required by statute to elect a Secretary from among its members and may choose to elect a Treasurer. Both positions serve for a one-year term.

Staff recommends that both positions be filled. For these positions, a simple majority vote is required by the members in attendance.

TAB 3

Washington
Higher Education Facilities Authority
1000 Second Avenue, Suite 2700
Seattle, Washington 98104-1046

Tel: (206) 287-4403
Fax: (206) 587-5113

Date: May 1, 2020

To: Authority Members

From: Carol Johnson

Re: Proposed WHEFA Policy Change

CC: Steve Walker, Paul Edwards, Rona Monillas, Bob Cook, Debra Stephenson

The proposed policy change is intended to clarify how Authority issuance fees and contracted finance team fees are calculated on publicly sold bond issues with a premium (premium bonds).

A premium bond is a bond trading above its face value, or in other words a bond for which an investor is willing to pay more than the par amount of the bond in exchange for a slightly higher interest rate. Premiums are market driven and when investors "demand" a premium, the result is that the par amount of the bond can be sized down. The borrower still receives the same amount of bond proceeds (par plus premium).

For the Authority, that means that the par/face amount of the bonds is less than the proceeds the college or university receives from the sale of the bonds. This is not always the case but has become more common. The objective of this policy change is to ensure that applicable fees will be charged based on the amount of bond proceeds generated from the sale of the bonds. The fee a borrower expects to pay would not change because the Authority's fee estimates are based on the application amount, which does not usually take premium into account.

The proposed change impacts the Authority's current Policy Guide, Section VII - Fees. Draft black line policy excerpts follow for your reference.

As always, Authority policy changes are drawn up with the consideration that policy modifications should not alter our own policy objectives, should not compromise the service we provide, and should not add any extra burden to our current and future clients.

RECOMMENDATION:

At this time, we are respectfully requesting that the Board consider approval of staff recommendations for changes to the Authority Policy Guide to be effective immediately.

EXCERPT FROM FACILITY FINANCING POLICY GUIDE

VII. Fees

The Authority is a self-supporting organization. State law prohibits the Authority from receiving state funds. The Authority depends on fees collected from its financing activity for the administration of its programs.

Fees for STEP transactions are shown in section X B.

For public sale and private placement transactions, fees are as follows:

- An application fee of $7,500 is to be submitted with the application.
- An issuance fee of the amount in excess of $7,500 when calculated by multiplying the greater of the bond par amount or the bond par amount plus premium by .125%, due at bond closing.
- In addition, an annual fee of 6 basis points (.06%) of the outstanding bond amount is payable in advance on each July 1.

The Authority may establish a different fee schedule and may waive or credit all or any portion of the annual or application fee at its sole discretion.

The borrower is responsible for paying the costs of issuance, including the fees and expenses of bond counsel and the financial advisor. Up to 2% of these expenses may be reimbursed to the borrower from bond proceeds. Costs of issuance that exceed 2% must be paid from sources other than bond proceeds.

All costs and expenses of the Authority shall be paid from fees assessed pursuant to this section. No moneys of Washington State are available for or shall be expended for such purposes.

TAB 4

JAY INSLEE, Chair
Governor

WASHINGTON HIGHER EDUCATION FACILITIES AUTHORITY

STEVE WALKER
Executive Director

Project Description

Seattle University

School Name/Location	**Seattle University** 901 12th Avenue Seattle, Washington 98122
Bond Issue Name	Revenue Bonds (Seattle University), Series 2020
Purpose	Bond proceeds will be loaned to the University to finance a portion of the costs of constructing and equipping the University's Center for Science and Innovation (CSI). The CSI is comprised of three buildings that together create a new Science and Engineering complex. The project starts with a new 111,000 SF building constructed at the corner of Marion and 12th Avenue. The project will also include interior renovations and updates in both the Bannan Science and Bannan Engineering buildings. Proceeds may also be used to finance other facilities located on the University's campus and any other costs, fees, reserves and associated permitted issuance expenses associated with the transaction.
Official Intent Declaration #	20-W01
Application	Received on April 7, 2020 Reviewed and accepted by staff on April 24, 2020
Public Hearing	May 2020 - TBD
Resolution	Resolution #20-03 is currently before the Board for consideration

Financial Information

Type:	Public Sale
Estimated Bond Amount	Not to exceed $75,000,000
Bond Structure	Fixed rate
Underwriter	Stifel Public Finance
Trustee/Fiscal Agent	US Bank N.A.
Closing Date	June 10, 2020

FINANCING APPLICATION SUMMARY

BORROWER: **SEATTLE UNIVERSITY**
901 12th Avenue
P.O. Box 222000
Seattle, Washington 98122-4340

Chief Executive Officer: Stephen V. Sundborg, S.J,. President

Chief Financial Officer: Wilson Garone, Vice President for Finance and Business Affairs

Liaison with the Authority: Andrew O'Boyle, Associate Vice President for Finance

Seattle University is a private educational institution organized and existing under the laws of the State of Washington as a nonprofit corporation and 501(c)(3) organization. The University is accredited by Northwest Association of Schools and Colleges. All applicable supporting documentation has been submitted. The submittals satisfy Authority requirements.

PROJECT DESCRIPTION

The purpose of the proposed Series 2020 Bonds is to provide financing for a portion of the costs of constructing and equipping the University's Center for Science and Innovation (CSI) and other capital projects of the University, funding a debt service reserve fund, if needed, and paying costs of issuance. The application is for $63 Million based on the financing needs of the project (total project costs are approximately $153M).

The bond resolution authorizes a not to exceed amount $75M to take into account market conditions on the day of pricing, which is not until late May. Given the volatile market environment, the financing team is unclear if discount or premium bonds will be issued. The project costs, as outlined in the application, are not expected to change. Independently from the issuance of the Series 2020 Bonds, the University expects to use its available revenues to defease and refund a portion of the Authority's outstanding Series 2011 Bonds. The University is not borrowing for this purpose.

Project Scope

The Center for Science and Innovation ("CSI") is a group of projects comprised of three buildings that together create a new Science and Engineering complex. The CSI project starts with a new building constructed at the corner of Marion and 12th Avenue. The CSI project will also include interior renovations and updates in both the Bannan Science and Bannan Engineering buildings that make up the existing Bannan Center for Science and Engineering.

The new building is a five story, approximately 111,000 gross square feet facility. It will house the College of Science and Engineering's departments of Biology, Chemistry, and Computer Science. It will also be the new home for University-wide resources including the university radio station KXSU, the Center for Community Engagement, two new 50-student modern active-learning university classrooms, university common areas, a large campus gathering space, a President's dining room, a café and a campus maker space.

Project Timeline: Construction is underway, and all local permits have been secured.

CSI New Building
Construction complete: Mid-May 2021
Furniture and equipment installation: Mid-May 2021 to June 2021
Move in: July 2021
Open for Fall 2021 Quarter

Bannan Complex
Construction Phase 1: Summer 2020
Construction Phase 2: July 2021 to February 2022

Project Budget: $153 Million

CSI New Building = $132.3 million
Bannan Complex = $20.7 million

FINANCING

The University is seeking assistance from the Authority to secure bond proceeds totaling up to $63,250,000 to fund a portion of the CSI Project.

Preliminary Sources and Uses schedules for bonds

Sources of Funds	
Par Amount of Bonds	$ 59,750,000.00
Reoffering Premium	3,955,559.15
Total Sources	**$ 63,705,559.15**
Uses of Funds	
Total Underwriter's Discount (0.333%)	$ 199,000.00
Estimated Cost of Issuance	$ 372,062.50
Deposit to Project Fund	$ 63,130,000.00
Rounding Amount/Contingency	$ 4,496.65
Total Uses	**$ 63,705,559.15**

The University will use the proceeds of the 2020 Bonds as one of the main sources of funding for the CSI. It will utilize its own funds for the balance of project costs.

PROPOSED SECURITY: The bonds will be secured by a first parity lien on the Unrestricted Revenues, Gains and Other Support of the University received in each Fiscal Year. The Bonds on parity with the University's current outstanding bonds.

EXPECTED TERMS OF REPAYMENT: The 2020 Bonds will be repaid over 30 years. Interest is paid semiannually on May 1 and November 1 and principal is paid annually on May 1. The final principal payment is expected to be May 1, 2050, while the first principal payment shall be May 1, 2021.

RATING: The University is currently rated "A" with a "stable outlook" by S&P Global Ratings (most recently affirmed on February 27, 2019). An updated rating report for the 2020 Bonds will be provided in advance of the issuance of the 2020 Bonds.

FINANCES OF THE BORROWER

The University gave the Authority access to audited financial statements for the past three years and the most current financial statement.

Seattle University is in the midst of budgetary planning for Fiscal Year 2021, which is customary for the University under its annual planning procedures. Consistent with institutions of higher education across the U.S., the University is also evaluating and planning around the future impacts of the COVID-19 crisis within the context of FY2021 Budget and Fall 2020 enrollments. At this time and for this reason, the University is not able to disclosure financial projections for three to five years.

The following table sets forth the estimated total outstanding indebtedness as of June 30, 2019.

Outstanding Bonds	Final Maturity	Interest Rate	Par Outstanding (Dollars in Thousands)
WHEFA Series 2008	2028	Variable	$ 14,295
WHEFA Series 2011	2032	Fixed	$ 10,985
WHEFA Series 2015	2030	Fixed	$ 49,405
WHEFA Series 2017	2039	Fixed	$ 41,860

STUDENT POPULATIONS/ENROLLMENT

YEAR	UNDERGRADUATE	GRADUATE	LAW
Fall 2015	4,605	1,701	662
Fall 2016	4,672	1,743	610
Fall 2017	4,529	1,813	560
Fall 2018	4,650	1,687	600
Fall 2019	4,588	1,723	627

Seattle University is in the midst of budgetary planning for Fiscal Year 2021, which is customary for the University under its annual planning procedures. Consistent with institutions of higher education across the U.S., the University is also evaluating and planning around the future impacts of the COVID-19 crisis within the context of FY2021 Budget and Fall 2020 enrollments. At this time and for this reason, the University is not able to disclosure enrollment projections for the next three to five years.

April 23, 2020

Mr. Steve Walker, Executive Director
Mr. Paul Edwards, Deputy Director
Mr. Robert Cook, Finance Director
Ms. Carol Johnson, Affiliates Manager
Washington Higher Education Facilities Authority
1000 Second Street, Suite 2700
Seattle, WA 98104-1046

RE: Seattle University – Preliminary Estimate of Tax-Exempt Benefit (Savings) to Issue Series 2020 Revenue Bonds through the Washington Higher Education Facilities Authority

Dear Authority Staff,

On behalf of the Washington Higher Education Facilities Authority (the "Authority") and the institutions of higher learning who borrower through the Authority, herein we calculate the estimated interest benefit (savings) resulting from the use of tax-exempt borrowing status of the Authority versus the interest cost for the institution to borrow at taxable rates in the public market or commercially from a bank or other financial institution. The purpose of this analysis is to quantify, demonstrate and document the monetary and economic benefit for Seattle University (the "University") to borrow on a tax-exempt basis through the Authority.

UMB Financial Services Inc. ("UMBFSI") analysis is based on the use of current, observable market rates for tax-exempt and taxable bonds that have been sold in the market recently and for which the results are reported publicly or in trade publications. More specifically we evaluate the recently priced, comparable bond issues that have similar characteristics to the Series 2020 Revenue Bonds to be issued through the Authority for which an application for assistance has been submitted by the University (the "2020 Bonds"). For this analysis, UMBFSI utilizes certain factors and/or metrics to determine the prospective tax-exempt and taxable interest rates. Such factors include, but may not be limited to, the following:

- Borrowing institution characteristics
- Credit rating(s), if any
- Issue size
- Issue term
- Call feature(s)
- Principal amortization footprint
- State from where securities are issued
- Market conditions
- Investor or financial institution sentiment

In addition to comparable primary market offerings, we also evaluate the past and recent performance of the University's outstanding bonds issued through the Authority, as applicable and relevant. Prior pricing performance for the University (although not exact indicator for current market offering) allows for the indexing of results and provides a basis for historical comparison to current market levels.

UMB Financial Services Inc.
1670 Broadway, Denver, CO 80202 | (303) 764-3640 | john.wendling@umb.com

With relevant data gathered and analyzed, UMBFSI establishes prospective interest rate scales for tax-exempt and taxable financings and run separate bond cash flows and sources and uses of funds for each scenario. We then compare the cash flows of the two scenarios on (i) a total (gross) cost basis and (ii) a present value basis using a discount factor that represents average of the bond arbitrage yields of the two scenarios.

UMBFSI has calculated the tax-exempt benefit on a **preliminary basis** assuming market conditions as of **April 23, 2020**. UMBFSI has calculated the estimated cash flows for each scenario through final maturity of the 2020 Bonds (May 1, 2050) and assume a common par call feature (May 1, 2030). For **Seattle University's 2020 Bonds**, our preliminary analysis demonstrates gross cash flow and present value benefit is as follows:

	Gross Cash Flow Benefit	**Present Value Savings***
Series 2020 Revenue Bonds	**$6,595,455**	**$2,606,350**

**Present value benefit is calculated using a discount factor of 3.80%.*

The preliminary analysis represents the benefit based on estimated tax-exempt and taxable interest rates since the 2020 Bonds have not yet priced in the primary market. Per the Authority's requirements and to document the final analysis, UMBFSI will provide a **Final Tax-Exempt Benefit Letter** upon completing the pricing of the 2020 Bonds and execution of the bond purchase agreement with the underwriter.

A UMBFSI representative will participate in the scheduled Authority Board meeting on May 8, 2020 to present and discuss the preliminary benefit to the University to complete the tax-exempt financing through the Authority. At your convenience, please feel free to reach out to me directly at (303) 764-3640 or john.wendling@umb.com with comments or questions prior to the Authority Board meeting.

Respectfully submitted,

John R. Wendling

John R. Wendling
Senior Vice President
UMB Financial Services Inc.
(303) 764-3640 (direct)
john.wendling@umb.com

TAB 5

WASHINGTON HIGHER EDUCATION FACILITIES AUTHORITY

RESOLUTION NO. 20-03

A RESOLUTION of the Washington Higher Education Facilities Authority authorizing the issuance of nonrecourse revenue bonds in an aggregate principal amount of not to exceed $75,000,000 to design, construct, install, furnish, and equip facilities on the campus of Seattle University; delegating to the Executive Director of the Authority the authority to approve the sale of the bonds to Stifel, Nicolaus & Company, Incorporated; approving the form of indenture of trust, loan agreement and bond purchase contract; approving other matters related to Seattle University; and authorizing the officers and Executive Director of the Authority to execute documents related thereto.

APPROVED ON MAY 8, 2020

PREPARED BY:

PACIFICA LAW GROUP LLP
1191 Second Avenue, Suite 2000
Seattle, Washington 98101

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* This table of contents is not a part of the resolution; it is included for convenience of the reader only.

RESOLUTION NO. 20-03

A RESOLUTION of the Washington Higher Education Facilities Authority authorizing the issuance of nonrecourse revenue bonds in an aggregate principal amount of not to exceed $75,000,000 to design, construct, install, furnish, and equip facilities on the campus of Seattle University; delegating to the Executive Director of the Authority the authority to approve the sale of the bonds to Stifel, Nicolaus & Company, Incorporated; approving the form of indenture of trust, loan agreement and bond purchase contract; approving other matters related to Seattle University; and authorizing the officers and Executive Director of the Authority to execute documents related thereto.

WHEREAS, the Washington Higher Education Facilities Authority, a public body corporate and politic of the State of Washington (the "Authority"), has been duly constituted pursuant to the authority and procedures of chapter 28B.07 of the Revised Code of Washington (the "Act"); and

WHEREAS, pursuant to the Act the Authority is authorized to issue nonrecourse revenue bonds for the purpose of financing or refinancing all or a part of the "project costs" of "higher education institutions" as such terms are defined in the Act; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), grants an exemption from gross income for federal income tax purposes of interest paid on bonds where the proceeds thereof are used to finance facilities owned and operated by corporations described under Section 501(c)(3) of the Code; and

WHEREAS, Seattle University (the "University") is a private, nonprofit higher education institution meeting the requirements of the Act and a corporation described under Section 501(c)(3) of the Code; and

WHEREAS, the University has submitted an application to the Authority to provide a portion of the funds required to design, construct, install, furnish, and equip the Center for

Science and Innovation and other facilities located on the University's campus in Seattle, Washington (the "Project"); and

WHEREAS, it is desirable for the Authority to provide the University with financing through: (1) the issuance of its Washington Higher Education Facilities Authority Revenue Bonds (Seattle University Project), Series 2020 (the "Bonds") in an aggregate principal amount of not to exceed $75,000,000 and (2) the loaning the proceeds of the Bonds to the University pursuant to a Loan Agreement (as hereinafter defined) for purposes of financing the Project, funding a debt service reserve fund, if necessary, and paying costs of issuance for the Bonds; and

WHEREAS, the Authority expects to receive an offer to purchase the Bonds from Stifel, Nicolaus & Company, Incorporated pursuant to a bond purchase contract (the "Bond Purchase Contract");

NOW, THEREFORE, BE IT RESOLVED by the Washington Higher Education Facilities Authority as follows:

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents filed with the Executive Director of the Authority: the Indenture of Trust (the "Indenture") between the Authority and U.S. Bank National Association (the "Trustee") and the Loan Agreement among the Authority, the Trustee and the University (the "Loan Agreement").

Section 2. Findings. The University has submitted an application to the Authority which has been reviewed and analyzed by the Authority staff. The Authority has determined, upon the recommendation of the Authority staff, that the financing contemplated herein will benefit the higher education system; that the University can reasonably be expected to successfully complete the financing of the Project; that the financing contemplated herein and the issuance of the Bonds are economically feasible and can be undertaken on terms satisfactory to the Authority; that the financing will carry out the purposes and policies of the Act; and that the University has reasonably satisfied the requirements of the Act and the regulations of the Authority promulgated thereunder.

Section 3. Authorization of Bonds. The Authority hereby authorizes the issuance and sale of its nonrecourse revenue bonds to be designated "Washington Higher Education Facilities Authority Revenue Bonds (Seattle University Project), Series 2020", or other series designation as determined to be necessary by the Executive Director of the Authority, in the aggregate principal amount of not to exceed $75,000,000, pursuant to and in accordance with the provisions of the Act, the Code, the Indenture and this resolution. Proceeds of the Bonds will be loaned to the University pursuant to the Loan Agreement for purposes of financing the Project, funding a debt service reserve fund, if necessary, and paying costs of issuance for the Bonds.

Section 4. Approval of Documents. The Authority hereby accepts, approves and agrees to the execution and delivery and to all the terms and conditions of the Indenture and the Loan Agreement, pertaining to it in substantially the forms on file with the Authority, including the forms of exhibits thereto, and with such additions, deletions and modifications as hereafter are deemed by the Executive Director or the Secretary of the Authority to be in the best interests of the Authority and approved by the University. The Indenture will authorize, *inter alia*, the sale, execution, issuance and delivery of the Bonds and will be in substantially the form on file with the Authority. The Authority also accepts, approves and agrees to the execution and delivery of all other certificates and documents which, in the judgment of the Executive Director or the Secretary of the Authority, are necessary to the sale, execution, issuance and delivery of the Bonds, the loan of the proceeds from the issuance and sale of the Bonds to the University, the funding of a debt service reserve fund, if necessary, the acquisition of a surety policy, bond insurance or other credit enhancement, if necessary, and the exemption of interest on the Bonds from federal taxation pursuant to the Code.

Section 5. Authorization to Execute and Deliver Documents and Bonds. The Chair, the Executive Director and the Secretary of the Authority, or any one of such persons, hereby are authorized and directed to cause the Indenture and the Loan Agreement to be appropriately dated and to execute, for and on behalf of the Authority, and deliver to the parties entitled to executed copies of the same, together with any exhibits thereto required to be executed and delivered by the Authority, with such additions, deletions and modifications as are hereafter deemed by the Executive Director and the Secretary of the Authority to be necessary to confirm such documents to each other and/or to be in the best interest of the Authority and the University. The Chair and the Secretary or Executive Director of the Authority hereby are authorized and directed to execute, for and on behalf of the Authority, the Bonds, in substantially the form set forth in the Indenture. Such officers are hereby authorized to execute on behalf of the Authority any additional certificates and documents which are necessary to the sale, execution, issuance and delivery of the Bonds.

Section 6. Approval of Underwriter; Sale of the Bonds. The Authority hereby approves the selection of Stifel, Nicolaus & Company, Incorporated as the underwriter for the Bonds. The Authority hereby authorizes and approves the sale of the Bonds to Stifel, Nicolaus & Company, Incorporated as described in and in accordance with the terms and conditions set forth in the Bond Purchase Contract. The Authority hereby delegates to the Executive Director the authority to execute the Bond Purchase Contract on behalf of the Authority in substantially the form filed with the Authority, subject to the following limitations: (a) the aggregate principal amount of the Bonds shall not exceed $75,000,000; (b) the true interest cost (in the aggregate) on the Bonds does not exceed 6.00%; (c) the Bond Purchase Contract shall be executed prior to September 30, 2020; and (d) the final terms of the Bond Purchase Contract shall otherwise be in furtherance of the Act.

Section 7. Preliminary Official Statement and Final Official Statement. Pursuant to Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12"), the Authority hereby delegates to the Executive Director the authority to deem the Preliminary Official Statement as final as of its date except for the omission of information dependent upon the sale of the issue and the completion of the agreement with underwriter, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, and other terms of the Bonds dependent on the foregoing matters. The Executive Director is hereby authorized to provide for the distribution of a Preliminary Official Statement.

The Authority agrees to cooperate with the underwriter to deliver or cause to be delivered, within seven business days from the date of the sale of the Bonds and in sufficient time to accompany any confirmation that requests payment from any customer of the underwriter for the Bonds, copies of final Official Statements in sufficient quantity to comply with paragraph (b)(4) of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board. The Executive Director is hereby authorized to review and approve on behalf of the Authority the final Official Statement with such additions and changes as may be deemed necessary or advisable to him.

Section 8. Defeasance of 2011 Bonds. The Authority has previously issued its Refunding Revenue Bonds (Seattle University Project), Series 2011 (the "2011 Bonds") pursuant to an Indenture of Trust dated as of September 1, 2011 (the "2011 Indenture") for the benefit of the University. The University has proposed to use its available funds to defease and refund all or a portion of the outstanding 2011 Bonds. The Authority hereby authorizes (a) the defeasance and refunding of all or a portion of the 2011 Bonds with available funds of the University and (b) the Executive Director of the Authority to execute on behalf of the Authority all documents, certificates and notices necessary to accomplish such defeasance and refunding.

<u>Section 9</u>. <u>Execution of Resolution in Counterparts</u>. This resolution may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original; and such counterparts together shall constitute one and the same instrument.

<u>Section 10</u>. <u>Executive Director</u>. The Deputy Executive Director is hereby authorized to act on behalf of the Executive Director for all purposes of this resolution if it is necessary or desirable to accomplish the purposes hereof.

<u>Section 11</u>. <u>Effective Date</u>. This resolution shall become effective immediately upon its passage and execution by a majority of the members of the Authority at a duly constituted meeting.

ADOPTED at an open public meeting duly noticed and called this 8th day of May, 2020.

WASHINGTON HIGHER EDUCATION
FACILITIES AUTHORITY

____
David Schumacher, Designee for
Jay Inslee, Governor, Member and Chair

____
The Honorable Cyrus Habib,
Lieutenant Governor and Member

____
Michael Meotti, Executive Director of the
Washington State Achievement Council and
Member

____
Claire Grace, Public Member

____
Roy Heynderickx, Public Member

____
Dr. Gene Sharratt, Public Member

____
Jerome Cohen, Public Member

TAB 6

MEMORANDUM

To: WHEFA Board

From: Paul Edwards

CC: Steve Walker

Date: April 21, 2020

Subject: Use and Acceptance of Electronic Signatures

Resolution #20-04 is a resolution of the Washington Higher Education Facilities Authority (Authority) authorizing the use and acceptance of electronic signatures in accordance with RCW 19.360.020 and its successor statute, ESSB 6028, and further authorizing the development of procedures for implementation of the electronic signature policy.

On February 29, 2020, Washington State Governor Jay Inslee declared a state of emergency in all counties of Washington state under Chapters 38.08, 38.52 and 43.06 RCW and subsequently on March 23, 2020 issued an order requiring remote work in response to the novel coronavirus (COVID-19).

To ensure the continued operation of its core business functions during a period of mandated or encouraged remote work, the Authority intends to authorize the immediate use of electronic signatures.

Further, to provide for a consistent ongoing process for electronic signatures, the Authority intends to authorize an electronic signature policy and the development of implementing procedures.

WHEFA staff is recommending approval of this resolution.

Thank you for your consideration.

WASHINGTON HIGHER EDUCATION FACILITIES AUTHORITY

RESOLUTION NO. 20-04

A RESOLUTION of the Washington Higher Education Facilities Authority authorizing the use and acceptance of electronic signatures in accordance with RCW 19.360.020 and ESSB 6028 and further authorizing the development of procedures for implementation of the electronic signature policy.

APPROVED ON MAY 8, 2020

PREPARED BY:

PACIFICA LAW GROUP LLP

1191 Second Avenue, Suite 2000
Seattle, Washington 98101

RESOLUTION NO. 20-04

A RESOLUTION of the Washington Higher Education Facilities Authority authorizing the use and acceptance of electronic signatures in accordance with RCW 19.360.020 and ESSB 6028 and further authorizing the development of procedures for implementation of the electronic signature policy.

WHEREAS, the Washington Higher Education Facilities Authority, a public body corporate and politic of the State of Washington (the "Authority") has been duly constituted pursuant to the authority and procedures of RCW 28B.07 et seq. (the "Act"); and

WHEREAS, RCW 19.360.020 and its successor statute, ESSB 6028 (the "Uniform Electronic Transactions Act"), which takes effect on June 11, 2020, provide that a government agency may determine whether and the extent to which it will send, accept and rely on electronic signatures; and

WHEREAS, on February 29, 2020, Washington State Governor Jay Inslee declared a state of emergency in all counties of Washington state under Chapters 38.08, 38.52 and 43.06 RCW and subsequently on March 23, 2020 issued an order requiring remote work in response to the novel coronavirus (COVID-19); and

WHEREAS, to ensure the continued operation of its core business functions during a period of mandated or encouraged remote work, the Authority intends to authorize the immediate use of electronic signatures; and

WHEREAS, to provide for a consistent ongoing process for electronic signatures, the Authority intends to authorize an electronic signature policy and the development of implementing procedures;

NOW, THEREFORE, BE IT RESOLVED by the Washington Higher Education Facilities Authority as follows:

Section 1. Electronic Signatures. To facilitate the continued operations of its core business functions, the Authority hereby authorizes the immediate use of electronic signatures by the Executive Director and his designee during a period when remote work is mandated or encouraged by the Governor of the State of Washington.

Section 2. Electronic Signature Policy. To further provide for consistency in processes, the Authority hereby authorizes the following electronic signature policy.

"Electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

The Executive Director of the Authority may authorize one or more methods of electronic signature for specific types of agreements, transactions and general documents. No Authority staff member is authorized to accept an electronic signature or use an electronic signature unless or until the category of agreement, transaction or general document has been approved.

The manner, format, and criteria for use by a third party, of electronic signatures approved by the Executive Director will be determined on the basis of risk. Considerations of risks may include the typical value of the transaction, the likelihood and potential impact of deception and any other factors deemed relevant. Requests for consideration of electronic signatures for a specific type of agreement, transaction or general document should be directed to the Executive Director or his designee.

The Manager of Information Technology (or a party contracted for such role) is responsible for ensuring appropriate technology and processes are in place to ensure preservation, disposition, integrity, security, confidentiality and auditability of electronic signatures.

Section 3. Electronic Signature Procedures. The Executive Director will work with counsel to the Authority (1) to review proposed document types eligible for electronic signatures and (2) to develop implementing procedures for the use of electronic signatures. Notwithstanding the direction to create implementing procedures, during the period of mandated remote work, the Executive Director or his designee, in his discretion, is authorized as set forth in Section 1 hereof to use an electronic signature prior to the establishment of policies.

Section 4. Effective Date. This resolution shall become effective immediately upon its passage and execution by a majority of the members of the Authority at a duly constituted meeting.

ADOPTED at a special meeting duly noticed and called this 8th day of May, 2020.

WASHINGTON HIGHER EDUCATION
FACILITIES AUTHORITY

David Schumacher, Designee for Jay Inslee, Governor and Chair	The Honorable Cyrus Habib, Lieutenant Governor and Member
Roy Heynderickx, Public Member	Michael Meotti, Public Member
Jerome Cohen, Public Member	Claire Grace, Public Member
Gene Sharratt, Public Member	

TAB 7

Annual Budget
(July 1, 2020 - June 30, 2021)

(To be distributed to the Board members prior to the meeting)

TAB 8

WASHINGTON HIGHER EDUCATION
FACILITIES AUTHORITY

memorandum

To: Authority Members

From: Bob Cook

Date: April 24, 2020

Re: Local Government Investment Pool authorization

BACKGROUND:

The Authority has invested excess cash liquidity in the State Treasurer's Local Government Investment Pool ("LGIP") for several years. In lay terms, it operates as a money market investment for state and municipal entities with rates generally more advantageous over equivalent commercial accounts.

With Steve Walker on board as Executive Director, we need to update the authorized persons on our account. Coincidentally, the LGIP resolution has been updated so that the authorization is for named roles rather than named persons. This will preclude the need for a new resolution each time there is a change in staff.

Attached are the form resolution and related LGIP materials for your review.

RECOMMENDED ACTION:

Adopt resolution 20-02 authorize the investment of Washington Higher Education Facilities Authority monies in the Local Government Investment Pool.

1000 Second Avenue, Suite 2700, Seattle, WA 98104-1046
tel 206.464.7139 800.767.HOME fax 206.587.5113 www.wshfc.org

RESOLUTION NUMBER 20-02
AUTHORIZING INVESTMENT OF
WASHINGTON HIGHER EDUCATION FACILITIES AUTHORITY
MONIES IN THE LOCAL GOVERNMENT INVESTMENT POOL

WHEREAS, pursuant to Chapter 294, Laws of 1986, the Legislature created a trust fund to be known as the public funds investment account (commonly referred to as the Local Government Investment Pool (LGIP)) for the contribution and withdrawal of money by an authorized governmental entity for purposes of investment by the Office of the State Treasurer; and

WHEREAS, from time to time it may be advantageous to the authorized governmental entity, Washington Higher Education Facilities Authority, the "governmental entity", to contribute funds available for investment in the LGIP; and

WHEREAS, the investment strategy for the LGIP is set forth in its policies and procedures; and

WHEREAS, any contributions or withdrawals to or from the LGIP made on behalf of the governmental entity shall be first duly authorized by the Commissioners of the Washington Higher Education Facilities Authority, the "governing body" pursuant to this resolution; and

WHEREAS the governmental entity will cause to be filed a certified copy of this resolution with the Office of the State Treasurer; and

WHEREAS the governing body and any designee appointed by the governing body with authority to contribute or withdraw funds of the governmental entity has received and read a copy of the prospectus and understands the risks and limitations of investing in the LGIP; and

WHEREAS, the governing body attests by the signature of its members that it is duly authorized and empowered to enter into this agreement, to direct the contribution or withdrawal of governmental entity monies, and to delegate certain authority to make adjustments to the incorporated transactional forms, to the individuals designated herein.

NOW THEREFORE, BE IT RESOLVED that the governing body does hereby authorize the contribution and withdrawal of governmental entity monies in the LGIP in the manner prescribed by law, rule, and prospectus.

BE IT FURTHER RESOLVED that the governing body has approved the Local Government Investment Pool Transaction Authorization Form (Form) as completed by Washington Higher Education Facilities Authority and incorporates said form into this resolution by reference and does hereby attest to its accuracy.

BE IT FURTHER RESOLVED that the governmental entity designates the Executive Director or the Senior Director - Finance, each, an "authorized individual" to authorize all amendments, changes, or alterations to the Form or any other documentation including the designation of other individuals to make contributions and withdrawals on behalf of the governmental entity.

BE IT FURTHER RESOLVED that this delegation ends upon the written notice, by any method set forth in the prospectus, of the governing body that the authorized individual has been terminated or that his or her delegation has been revoked. The Office of the State Treasurer will rely solely on the governing body to provide notice of such revocation and is entitled to rely on the authorized individual's instructions until such time as said notice has been provided.

BE IT FURTHER RESOLVED that the Form as incorporated into this resolution or hereafter amended by delegated authority, or any other documentation signed or otherwise approved by the authorized individual shall remain in effect after revocation of the authorized individual's delegated authority, except to the extent that the authorized individual whose delegation has been terminated shall not be permitted to make further withdrawals or contributions to the LGIP on behalf of the governmental entity. No amendments, changes, or alterations shall be made to the Form or any other documentation until the entity passes a new resolution naming a new authorized individual; and

BE IT FURTHER RESOLVED that the governing body acknowledges that it has received, read, and understood the prospectus as provided by the Office of the State Treasurer. In addition, the governing body agrees that a copy of the prospectus will be provided to any person delegated or otherwise authorized to make contributions or withdrawals into or out of the LGIP and that said individuals will be required to read the prospectus prior to making any withdrawals or contributions or any further withdrawals or contributions if authorizations are already in place.

ADOPTED at a special meeting duly noticed and called this 30th day of January, 2020.

WASHINGTON HIGHER EDUCATION
FACILITIES AUTHORITY

_____________________________ David Schumacher, Designee for Jay Inslee, Governor and Chair	_____________________________ The Honorable Cyrus Habib, Lieutenant Governor and Member
_____________________________ Roy Heynderickx, Public Member	_____________________________ Michael Meotti, Public Member
_____________________________ Jerome Cohen, Public Member	_____________________________ Claire Grace, Public Member
_____________________________ Gene Sharratt, Public Member	

LOCAL GOVERNMENT

INVESTMENT POOL

Prospectus

August 2016

James L. McIntire

Washington State Treasurer

Contents

I. The LGIP

The Local Government Investment Pool (the "LGIP") is an investment pool of public funds placed in the custody of the Office of the Washington State Treasurer (the "State Treasurer") for investment and reinvestment as defined by RCW 43.250.020. The purpose of the LGIP is to allow eligible governmental entities to participate with the state in the investment of surplus public funds, in a manner that optimizes liquidity and return on such funds. In establishing the LGIP, the legislature recognized that not all eligible governmental entities are able to maximize the return on their temporary surplus funds, and therefore it provided a mechanism whereby they may, at their option, utilize the resources of the State Treasurer to maximize the potential of their surplus funds while ensuring the liquidity of those funds.

The State Treasurer has established a sub-pool within the LGIP whose shares are offered by means of this Prospectus: The LGIP-Money Market Fund (the "LGIP-MMF" or the "Fund"). The State Treasurer has the authority to establish additional sub-pools in the future.

The Fund offered in this Prospectus seeks to provide current income by investing in high-quality, short term money market instruments. These standards are specific to the Fund, as illustrated in the following table. The LGIP-MMF offers daily contributions and withdrawals.

FUND SNAPSHOT

The table below provides a summary comparison of the Fund's investment types and sensitivity to interest rate risk. This current snapshot can be expected to vary over time.

Fund	Investment Types	Maximum Dollar-Weighted Average Maturity for LGIP-MMF
LGIP-Money Market Fund	Cash	60 days
Current Investments (as of July 1, 2016)	Bank Deposits US Treasury bills Repurchase agreements US Government agency obligations	

Fees and Expenses

Administrative Fee. The State Treasurer charges pool participants a fee representing administration and recovery costs associated with the operation of the Fund. The administrative fee accrues daily from pool participants' earnings prior to the earnings being posted to their account. The administrative fee will be paid monthly. In the event that there are no earnings, the administrative fee will be deducted from principal.

The chart below illustrates the operating expenses of the LGIP-MMF for past years, expressed in basis points as a percentage of fund assets.

Local Government Investment Pool-MMF
Operating Expenses by Fiscal Year (in Basis Points)

				2009	2010	2011	2012	2013	2014	2015	2016
Total Operating Expenses				*0.88*	*0.64*	*0.81*	*0.68*	*0.87*	*0.88*	*0.95*	*0.88*

(1 basis point = 0.01%)

Because most of the expenses of the LGIP-MMF are fixed costs, the fee (expressed as a percentage of fund assets) will be affected by: (i) the amount of operating expenses; and (ii) the assets of the LGIP-MMF. The table below shows how the fee (expressed as a percentage of fund assets) would change as the fund assets change, assuming an annual fund operating expenses amount of $950,000.

Fund Assets	$8.0 bn	$10.0 bn	$12.0 bn
Total Operating Expenses (in Basis Points)	1.19	0.95	0.79

Portfolio Turnover: The Fund does not pay a commission or fee when it buys or sells securities (or "turns over" its portfolio). However, debt securities often trade with a bid/ask spread. Consequently, a higher portfolio turnover rate may generate higher transaction costs that could affect the Fund's performance.

II. Local Government Investment Pool – Money Market Fund

Investment Objective

The LGIP-MMF will seek to effectively maximize yield while maintaining liquidity and a stable net asset value per share, e.g., all contributions will be transacted at $1.00 net asset value per share.

Principal Investment Strategies

The LGIP-MMF will seek to invest primarily in high-quality, short term money market instruments. Typically, at least 55% of the Fund's assets will be invested in US government securities and repurchase agreements collateralized by those securities. The LGIP-MMF means a sub-pool of the LGIP whose investments will primarily be money market instruments. The LGIP-MMF will only invest in eligible investments permitted by state law. The LGIP portfolio will be managed to meet the portfolio maturity, quality, diversification and liquidity requirements set forth in GASB 79 for external investment pools who wish to measure, for financial reporting purposes, all of their investments at amortized cost. Investments of the LGIP-MMF will conform to the LGIP Investment Policy, the most recent version of which will be posted on the LGIP website and will be available upon request.

Principal Risks of Investing in the LGIP-Money Market Fund

Counterparty Credit Risk. A party to a transaction involving the Fund may fail to meet its obligations. This could cause the Fund to lose the benefit of the transaction or prevent the Fund from selling or buying other securities to implement its investment strategies.

Interest Rate Risk. The LGIP-MMF's income may decline when interest rates fall. Because the Fund's income is based on short-term interest rates, which can fluctuate significantly over short periods, income risk is expected to be high. In addition, interest rate increases can cause the price of a debt security to decrease and even lead to a loss of principal.

Liquidity Risk. Liquidity risk is the risk that the Fund will experience significant net withdrawals of Fund shares at a time when it cannot find willing buyers for its portfolio securities or can only sell its portfolio securities at a material loss.

Management Risk. Poor security selection or an ineffective investment strategy could cause the LGIP-MMF to underperform relevant benchmarks or other funds with a similar investment objective.

Issuer Risk. The LGIP-MMF is subject to the risk that debt issuers and other counterparties may not honor their obligations. Changes in an issuer's credit rating (e.g., a rating downgrade) or the market's perception of an issuer's creditworthiness could also affect the value of the Fund's investment in that issuer. The degree of credit risk depends on both the financial condition of the issuer and the terms of the obligation. Also, a decline in the credit quality of an issuer can cause the price of a money market security to decrease.

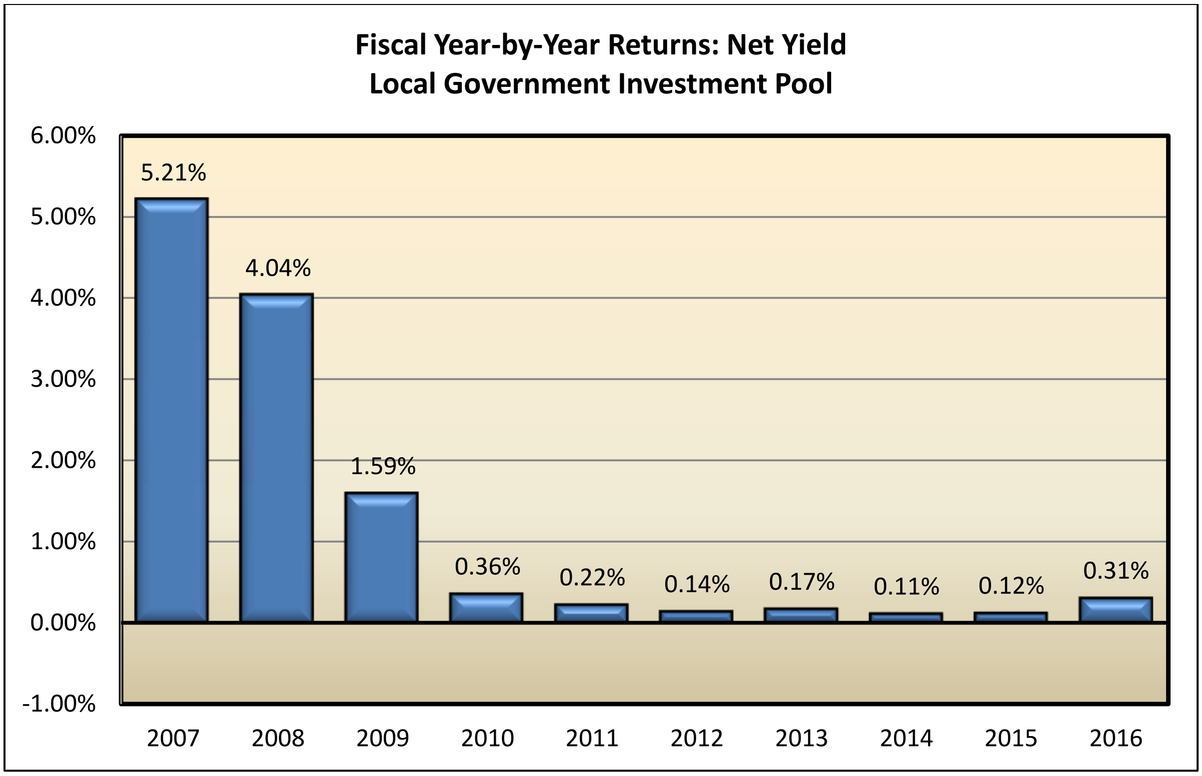
Securities Lending Risk and Reverse Repurchase Agreement Risk. The LGIP-MMF may engage in securities lending or in reverse repurchase agreements. Securities lending and reverse repurchase agreements involve the risk that the Fund may lose money because the borrower of the Fund's securities fails to return the securities in a timely manner or at all or the Fund's lending agent defaults on its obligations to indemnify the Fund, or such obligations prove unenforceable. The Fund could also lose money in the event of a decline in the value of the collateral provided for loaned securities or a decline in the value of any investments made with cash collateral***.***

Risks Associated with use of Amortized Cost. The use of amortized cost valuation means that the LGIP-MMF's share price may vary from its market value NAV per share. In the unlikely event that the State Treasurer were to determine that the extent of the deviation between the Fund's amortized cost per share and its market-based NAV per share may result in material dilution or other unfair results to shareholders, the State Treasurer may cause the Fund to take such action as it deems appropriate to eliminate or reduce to the extent practicable such dilution or unfair results.

An investment in the LGIP-MMF is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of investments at $1 per share, pool participants could lose money by investing in the LGIP-MMF. There is no assurance that the LGIP-MMF will achieve its investment objective.

Performance

The following information is intended to address the risks of investing in the LGIP-MMF. The information illustrates changes in the performance of the LGIP-MMF's shares from year to year. Returns are based on past results and are not an indication of future performance. Updated performance information may be obtained on our website at *www.tre.wa.gov* or by calling the LGIP toll-free at 800-331-3284.



Local Government Investment Pool-Money Market Fund

Average Accrued Net Yield

1 Year	3 years	5 years	10 years
0.31%	0.18%	0.17%	1.28%

Transactions: LGIP-MMF

General Information

The minimum transaction size (contributions or withdrawals) for the LGIP-MMF will be five thousand dollars. The State Treasurer may, in its sole discretion, allow for transactions of less than five thousand dollars.

Valuing Shares

The LGIP-MMF will be operated using a net asset value (NAV) calculation based on the amortized cost of all securities held such that the securities will be valued at their acquisition cost, plus accrued income, amortized daily.

The Fund's NAV will be the value of a single share. NAV will normally be calculated as of the close of business of the NYSE, usually 4:00 p.m. Eastern time. If the NYSE is closed on a particular day, the Fund will be priced on the next day the NYSE is open.

NAV will not be calculated and the Fund will not process contributions and withdrawals submitted on days when the Fund is not open for business. The time at which shares are priced and until which contributions and withdrawals are accepted is specified below and may be changed as permitted by the State Treasurer.

To the extent that the LGIP-MMF's assets are traded in other markets on days when the Fund is not open for business, the value of the Fund's assets may be affected on those days. In addition, trading in some of the Fund's assets may not occur on days when the Fund is open for business.

Transaction Limitations

The State Treasurer reserves the right at its sole discretion to set a minimum and/or maximum transaction amount from the LGIP-MMF and to limit the number of transactions, whether contribution, withdrawal, or transfer permitted in a day or any other given period of time.

The State Treasurer also reserves the right at its sole discretion to reject any proposed contribution, and in particular to reject any proposed contribution made by a pool participant engaged in behavior deemed by the State Treasurer to be abusive of the LGIP-MMF.

A pool participant may transfer funds from one LGIP-MMF account to another subject to the same time and contribution limits as set forth in WAC 210.10.060.

Contributions deposited by ACH will be unavailable for withdrawal for a period of five business days following receipt of funds

Contributions

Pool participants may make contributions to the LGIP-MMF on any business day. All contributions will be effected by electronic funds to the account of the LGIP-MMF designated by the State Treasurer. It is the responsibility of each pool participant to pay any bank charges associated with such electronic transfers. Failure to submit funds by a pool participant after notification to the State Treasurer of an intended transfer will result in penalties. Penalties for failure to timely submit will be assessed to the account of the pool participant responsible.

Notice of Wire contribution. To ensure same day credit, a pool participant must inform the State Treasurer of any contribution over one million dollars no later than 9 a.m. on the same day the contribution is made. Contributions for one million dollars or less can be requested at any time prior to 10 a.m. on the day of contribution. For all other contributions over one million dollars that are requested prior to 10 a.m., a pool participant may receive same day credit at the sole discretion of the State Treasurer. Contributions that receive same day credit will count, for earnings rate purposes, as of the day in which the contribution was made. Contributions for which no notice is received prior to 10:00 a.m. will be credited as of the following business day.

Notice of ACH contribution. A pool participant must inform the State Treasurer of any contribution submitted through ACH no later than 2:00 p.m. on the business day before the contribution is made. Contributions that receive same day credit will count, for earnings rate purposes, as of the day in which the contribution was made. Contributions for which proper notice is not received as described above will not receive same day credit, but will be credited as of the next business day from when the contribution is made. Contributions deposited by ACH will be unavailable for withdrawal for a period of five business days following receipt of funds.

Notice of contributions may be given by calling the Local Government Investment Pool (800-331-3284) OR by logging on to State Treasurer's Treasury Management System ("TMS"). Please refer to the LGIP-MMF Operations Manual for specific instructions regarding contributions to the LGIP-MMF.

Direct deposits from the State of Washington will be credited on the same business day.

Pricing. Contribution requests received in good order will receive the NAV per unit of the LGIP-MMF next determined after the order is accepted by the State Treasurer on that contribution date.

Withdrawals

Pool participants may withdraw funds from the LGIP-MMF on any business day. Each pool participant shall file with the State Treasurer a letter designating the financial institution at which funds withdrawn from the LGIP-MMF shall be deposited (the "Letter"). This Letter shall contain the name of the financial institution, the location of the financial institution, the account name, and the account number to which funds will be deposited. This Letter shall be signed by local officials authorized to receive and disburse funds, as described in WAC 210-10-020. Disbursements from the LGIP-MMF will be effected by electronic funds transfer. Failure by the State Treasurer to transmit funds to a pool participant after proper notification to the State Treasurer to disburse funds to a pool participant may result in a bank overdraft in the pool participant's bank account. The State Treasurer will reimburse a pool participant for such bank overdraft penalties charged to the pool participant's bank account.

Notice of Wire withdrawal. In order to withdraw funds from the LGIP-MMF, a pool participant must notify the State Treasurer of any withdrawal over one million dollars no later than 9 a.m. on the same day the withdrawal is made. Withdrawals for one million dollars or less can be requested at any time prior to 10 a.m. on the day of withdrawal. For all other withdrawals from the LGIP-MMF over one million dollars that are requested prior to 10 a.m., a pool participant may receive such withdrawal on the same day it is requested at the sole discretion of the State Treasurer. No earnings will be credited on the date of withdrawal for the amounts withdrawn. Notice of withdrawals may be given by calling the Local Government Investment Pool (800-331-3284) OR by logging on to TMS. Please refer to the LGIP-MMF Operations Manual for specific instructions regarding withdrawals from the Fund.

Notice of ACH withdrawal. In order to withdraw funds from the LGIP-MMF, a pool participant must notify the State Treasurer of any withdrawal by ACH no later than 2 p.m. on the prior business day the withdrawal is requested. No earnings will be credited on the date of withdrawal for the amounts withdrawn.

Notice of withdrawals may be given by calling the Local Government Investment Pool (800-331-3284) OR by logging on to TMS. Please refer to the LGIP-MMF Operations Manual for specific instructions regarding withdrawals from the Fund.

Pricing. Withdrawal requests with respect to the LGIP-MMF received in good order will receive the NAV per unit of the LGIP-MMF next determined after the order is accepted by the State Treasurer on that withdrawal date.

Suspension of Withdrawals. If the State Treasurer has determined that the deviation between the Fund's amortized cost price per share and the current net asset value per share calculated using available market quotations (or an appropriate substitute that reflects current market conditions) may result in material dilution or other unfair results, the State Treasurer may, if it has determined irrevocably to liquidate the Fund, suspend withdrawals and payments of withdrawal proceeds in order to facilitate the permanent termination of the Fund in an orderly manner. The State Treasurer will distribute proceeds in liquidation as soon as practicable, subject to the possibility that certain assets may be illiquid, and subject to subsequent distribution, and the possibility that the State Treasurer may need to hold back a reserve to pay expenses.

The State Treasurer also may suspend redemptions if the New York Stock Exchange suspends trading or closes, if US bond markets are closed, or if the Securities and Exchange Commission declares an emergency. If any of these events were to occur, it would likely result in a delay in the pool participants' redemption proceeds.

The State Treasurer will notify pool participants within five business days of making a determination to suspend withdrawals and/or irrevocably liquidate the fund and the reason for such action.

Earnings and Distribution

LGIP-MMF Daily Factor

The LGIP-MMF daily factor is a net earnings figure that is calculated daily using the investment income earned (excluding realized gains or losses) each day, assuming daily amortization and/or accretion of income of all fixed income securities held by the Fund, less the administrative fee. The daily factor is reported on an annualized 7-day basis, using the daily factors from the previous 7 calendar days. The reporting of a 7-day annualized yield based solely on investment income which excludes realized gains or losses is an industry standard practice that allows for the fair comparison of funds that seek to maintain a constant NAV of $1.00.

LGIP-MMF Actual Yield Factor

The LGIP-MMF actual yield factor is a net daily earnings figure that is calculated using the total net earnings including realized gains and losses occurring each day, less the administrative fee.

Dividends

The LGIP-MMF's dividends include any net realized capital gains or losses, as well as any other capital changes other than investment income, and are declared daily and distributed monthly.

Distribution

The total net earnings of the LGIP-MMF will be declared daily and paid monthly to each pool participant's account in which the income was earned on a per-share basis. These funds will remain in the pool and earn additional interest unless withdrawn and sent to the pool participant's designated bank account as specified on the Authorization Form. Interest earned will be distributed monthly on the first business day of the following month.

Monthly Statements and Reporting

On the first business day of every calendar month, each pool participant will be sent a monthly statement which includes the pool participant's beginning balance, contributions, withdrawals, transfers, administrative charges, earnings rate, earnings, and ending balance for the preceding calendar month. Also included with the statement will be the monthly enclosure. This report will contain information regarding the maturity structure of the portfolio and balances broken down by security type.

III. Management

The State Treasurer is the manager of the LGIP-MMF and has overall responsibility for the general management and administration of the Fund. The State Treasurer has the authority to offer additional sub-pools within the LGIP at such times as the State Treasurer deems appropriate in its sole discretion.

Administrator and Transfer Agent. The State Treasurer will serve as the administrator and transfer agent for the Fund.

Custodian. A custodian for the Fund will be appointed in accordance with the terms of the LGIP Investment Policy.

IV. Miscellaneous

Limitation of Liability

All persons extending credit to, contracting with or having any claim against the Fund offered in this Prospectus shall look only to the assets of the Fund that such person extended credit to, contracted with or has a claim against, and none of (i) the State Treasurer, (ii) any subsequent sub-pool, (iii) any pool participant, (iv) the LGIP, or (v) the State Treasurer's officers, employees or agents (whether past, present or future), shall be liable therefor. The determination of the State Treasurer that assets, debts, liabilities, obligations, or expenses are allocable to the Fund shall be binding on all pool participants and on any person extending credit to or contracting with or having any claim against the LGIP or the Fund offered in this Prospectus. There is a remote risk that a court may not enforce these limitation of liability provisions.

Amendments

This Prospectus and the attached Investment Policy may be amended from time to time. Pool participants shall receive notice of changes to the Prospectus and the Investment Policy. The amended and restated documents will be posted on the State Treasurer website: www.tre.wa.gov.

Should the State Treasurer deem appropriate to offer additional sub-pools within the LGIP, said sub-pools will be offered by means of an amendment to this prospectus.

LGIP-MMF Contact Information

Internet: www.tre.wa.gov Treasury Management System/TMS

Phone: 1-800-331-3284 (within Washington State)

Mail: Office of the State Treasurer
Local Government Investment Pool
PO Box 40200
Olympia, Washington 98504
FAX: 360-902-9044

TAB 9

JAY INSLEE, Chair
Governor

WASHINGTON HIGHER EDUCATION FACILITIES AUTHORITY

STEVE WALKER
Executive Director

April 23, 2020

Members
Washington Higher Education Facility Authority
Seattle, Washington

We have compiled the UNAUDITED Statement of Net Position of the Washington State Higher Education Facilities Authority (the "Authority") General Operating Fund, as of March 31, 2020 and the related statement of Activities and Changes in Net Position for the month ended in accordance with generally accepted accounting principles.

This compilation is limited to presenting, in the form of financial statements, information that is accurate to the best of our knowledge and belief. These statements have not been audited or reviewed by an independent third party.

We have elected to omit substantially all of the disclosures required by generally accepted accounting principles including the statement of cash flow. If the omitted disclosures were included in the financial statements, they might influence the users' conclusions about the Authority's financial position, results of operations and changes in financial position. Accordingly, these financial statements are not designed for those who are not informed about these matters.

Prepared by: Leora Tyau
Leora Tyau
Fiscal Analyst 4

Approved by: Shirleen Noonan
Shirleen Noonan
General Operations Manager

WASHINGTON HIGHER EDUCATION
FACILITIES AUTHORITY
GENERAL OPERATING FUND

March 31, 2020

CONTENTS

(See Accountant's Compilation Report)

Washington Higher Education Facilities Authority
Statement of Net Position
Fund: General Operating Fund
Division: All
March 31, 2020
(See Accountant's Compilation Report)

	Current Year	Prior Year	Variance Amount		Variance %
ASSETS					
Cash and Cash Equivalents:					
Demand Deposits	$ 94,401	$ 12,830	$ 81,571		636%
Money Market Accounts	1,326,201	1,103,730	222,471		20%
Loan Receivable (net)	3,454	3,454	-		0%
Prepaid Expenses & Other Receivable	8,994	4,203	4,788	(1)	114%
Total Assets	$ 1,433,050	$ 1,124,220	$ 308,830		27%
LIABILITIES					
Accounts Payable and Other Liabilities	$ 72,275	$ 75,419	$ (3,144)		-4%
Unearned Fee Income	97,362	-	97,362	(2)	NA
Total Liabilities	169,637	75,419	94,218		125%
NET POSITION					
Unrestricted	1,263,413	1,048,801	214,612		20%
Total Net Position	1,263,413	1,048,801	214,612		20%
Total Liabilities and Net Position	$ 1,433,050	$ 1,124,220	$ 308,830		27%

(1) The increase in prepaid expenses is due to the renewal of a 4-year subscription of Bond Buyer with a start date of August 2019 and to a prepayment of registration fees for a conference to be held in April. In the prior year, the conference was held in March.

(2) The unearned fee income balance consists of annual Authority fees reinstated in the current fiscal year. The annual fees are amortized monthly to recognize fee revenue during the fiscal year.

Totals may not add due to rounding.

Washington Higher Education Facilities Authority
Statement of Activities and Changes in Net Position
Fund: General Operating Fund
Division: All
For The Year To Date Ending: March 31, 2020
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance Amount		Variance %
Revenues:						
Fee Income	$ 121,723	$ 554,953	$ -	$ 554,953	(1)	NA
Interest Earned	1,462	17,786	19,974	(2,188)		-11%
Total Unadjusted Revenues	123,185	572,739	19,975	552,764		2767%
Expenses:						
Salaries, Wages, and Employee Benefits	22,805	197,324	187,926	9,398		5%
Travel & Conferences	-	13,547	21,530	(7,983)	(2)	-37%
Professional Fees	728	47,099	41,640	5,459	(3)	13%
Office Expense	3,925	33,601	33,046	555		2%
Total Expenses	27,458	291,571	284,141	7,430		3%
(Deficit) Excess of Revenues over Expenses	95,727	281,168	(264,166)	545,334		-206%
Net Position						
Total net position, beginning of period	1,167,686	982,245	1,312,967	(330,722)		-25%
Current Increase (Decrease) to Net Position	95,727	281,168	(264,166)	545,334		-206%
Total net position, end of year	$ 1,263,413	$ 1,263,413	$ 1,048,801	$ 214,612		20%

(1) The current year fee income includes recognition of amortized Authority fees as well as cost of issuance and application fee income for four bond issuances. In the prior year, Authority fees were waived and no new bond issuance related fees were received.

(2) In the prior year, the annual spring NAHEFFA conference was held in March and expenditures were recorded as of March. In the current year, the spring NAHEFFA conference will be held in April.

(3) The increase in professional services is primarily due to additional legal work related to a special project with WSAC (Washington Student Achievement Council).

Totals may not add due to rounding.

Washington Higher Education Facilities Authority
Detailed Statement of Activities
Fund: General Operating Fund
Division: All
For The Year To Date Ending: March 31, 2020

(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	**YTD**	YTD	Variance-YTD Budget to Actual	
	%	Amount	Actual	**Actual**	Budget	Amount	%
Revenues:							
Program Fees	NA	$ 279,728	$ -	**$ 279,728**	$ 284,309	$ (4,581)	-1.6%
Issuance & Application Fees	NA	275,225	-	**275,225**	56,250	218,975	389.3%
Interest Revenue	(0)	(2,188)	19,974	**17,786**	20,732	(2,946)	-14.2%
Total Unadjusted Revenues	2767.3%	552,765	19,975	**572,739**	361,291	211,448	58.5%
Expenses:							
Salaries & Wages - Staff & Temp. Svcs	5%	6,707	140,489	**147,196**	199,417	(52,221)	-26%
Employee Benefits - Staff	5.7%	2,690	47,438	**50,128**	63,464	(13,336)	-21.0%
Conference, Education & Training	-41.1%	(2,122)	5,168	**3,046**	5,104	(2,058)	-40.3%
Travel out of state - Staff	-33.6%	(4,700)	14,007	**9,307**	16,500	(7,193)	-43.6%
Travel in state - Staff	-49.3%	(1,162)	2,356	**1,194**	6,013	(4,819)	-80.1%
Accounting Fees	4.2%	1,654	39,500	**41,154**	44,000	(2,846)	-6.5%
Legal Fees	177.8%	3,805	2,140	**5,945**	5,250	695	13.2%
Financial Advisor Fees	NA	-	-	**-**	1,875	(1,875)	-100.0%
Office Rent/Conf. Room Rentals	-10.6%	(799)	7,546	**6,747**	9,909	(3,162)	-31.9%
Furniture & Equipment Rental	-14.7%	(119)	808	**689**	1,028	(339)	-33.0%
Publications/ Subscriptions/ Dues	-5.4%	(158)	2,925	**2,767**	3,724	(957)	-25.7%
Deliveries	244.8%	213	87	**300**	300	-	0.0%
Insurance	0.0%	-	9,987	**9,987**	9,988	(1)	0.0%
Meeting Expense	NA	42	-	**42**	3,863	(3,821)	-98.9%
Equipment & Building Maintenance	-75.8%	(1,068)	1,409	**341**	1,005	(664)	-66.1%
Software Maint. Support & Other Info Svcs	24.5%	1,496	6,100	**7,596**	12,311	(4,715)	-38.3%
Postage	56.7%	17	30	**47**	75	(28)	-37.3%
Printing	59.9%	573	956	**1,529**	2,212	(683)	-30.9%
Supplies	61.4%	416	677	**1,093**	1,900	(807)	-42.5%
Telephone	16.9%	210	1,241	**1,451**	1,383	68	4.9%
Other Office Expenses	19.5%	165	846	**1,011**	1,565	(554)	-35.4%
Total Expenses	2.6%	7,425	284,145	**291,570**	393,060	(101,490)	-25.8%
(Deficit) Excess of Revenues over Expenses	-206.4%	$ 545,339	$ (264,170)	**$ 281,169**	$ (31,769)	$ 312,938	-985.0%

Totals may not add due to rounding.

TAB 10

Statement of Account

Washington Higher Education Facility Authority
Proration of costs between WHEFA and WSHFC
For the period January 1, 2020 - March 31, 2020

Month	Salaries & Benefits	Office Expenses (1)	Overhead (2)	Total
January	$ 17,736.69	$ 2,618.59	$ 100.38	$ 20,455.66
February	22,371.51	1,835.12	118.30	24,324.93
March	22,655.51	3,537.87	136.80	26,330.18
Total Per Category	**$ 62,763.71**	**$ 7,991.58**	**$ 355.48**	**$ 71,110.77**

Previous Balance at December 31, 2019	**152,166.87**
Payments & Credit Memos (through March 31, 2020)	**(152,166.87)**
Total Due to WSHFC:	**$ 71,110.77**

Please make checks payable to:
Washington State Housing Finance Commission
1000 Second Avenue, Suite 2700
Seattle, Washington 98104-1046

(1) Office Expenses are expenses paid by WSHFC on behalf of WHEFA and allocation of certain HFC expenses based on WHEFA salary hours as a percentage of total HFC salary hours.
(2) Overhead is the allocation of HFC's depreciation expense based on WHEFA salary hours as a percentage of total HFC salary hours.

Approval for Payment

Diane S. Grace

Authority Board Member

TAB 11

Washington Higher Education Facilities Authority
Bond Issue Status Report
As of April 24, 2020

	Appl. Rec'd	OID Signed	App Review Complete	Scoping Meeting	Public Hearing	Tax Due Diligence Complete	Doc Review Meetings	Gov's Cert Signed	Borrower Board Approval	Authority Board Approval	Pricing	Pre-Close & Close	Savings	Comments
Potential Bond Issues - Fiscal Year 2019/20														
Seattle University ***Not to exceed $75 Million*** *New Money* *Center for Science & Innovation & other capital projects*	4/7/20	4/9/20	4/24/20	3/27/29	May 2020 TBD	May 2020 TBD	4/17/20 4/24/20 5/12/20	May 2020 TBD	4/30/20	5/8/20	5/27/20	6/9/20 6/10/20	Preliminary Present Value Savings $2,606,350	*SU Financial Advisor* *Wendling UMB Bank*
PNWU ***$20,000,000*** *New Money* *80,000 SF Regional Center for Inter-professional Education*	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	2021-22 For reporting purposes only	Preliminary Present Value Savings TBD	*Financial Advisor TBD*

Washington Higher Education Facilities Authority
Bond Issue Status Report
As of April 24, 2020

	Appl. Rec'd	OID Signed	App Review Complete	Scoping Meeting	Public Hearing	Tax Due Diligence Complete	Doc Review Meetings	Gov's Cert Signed	Borrower Board Approval	Authority Board Approval	Pricing	Pre-Close & Close	Savings	Comments
Closed Bond Issues - Fiscal Year 2019														
UPS ***$24,280,000*** *Refunding 2012 B*	7/9/19	7/22/19	8/16/19	7/22/19	N/A	9/9/19	8/27/19 9/16/19 9/23/19	N/A	Complete	9/17/19	N/A	9/25/19 10/1/19	Final Present Value Savings $1,300,549	*No Financial Advisor* *Private Placement*
Gonzaga University ***$75,000,000*** *$44,685,000 New Money* *Integrated Science & Engineering facility (ISE) & surrounding projects* *$30,315,000 Refunding* *2016B Taxable*	8/17/19	8/20/19	8/30/19	8/21/19	8/29/19	9/27/19	8/29/19 9/9/19 9/23/19 10.28/19	9/9/19	Approved	9/17/19	10/1/19	10/31/19 11/1/19	Final Present Value Savings $1,473,687	*Financial Advisor – Prager* *Public Sale*

Washington Higher Education Facilities Authority
Bond Issue Status Report
As of April 24, 2020

	Appl. Rec'd	OID Signed	App Review Complete	Scoping Meeting	Public Hearing	Tax Due Diligence Complete	Doc Review Meetings	Gov's Cert Signed	Borrower Board Approval	Authority Board Approval	Pricing	Pre-Close & Close	Savings	Comments
Whitworth University ***$19,485,000*** *New Money* *Health Science Building*	10/4/19	10/11/19	Complete	10/7/19	11/1/19	Complete	10/25/19 11/4/19 11/8/19	Complete	10/11/19	11/12/19	11/21/19	12/18/19 12/20/19	Final Present Value Savings $500,000	Financial Advisor – PFM Public Sale
Seattle Pacific University ***$77,415,000*** *New Money – Land & Misc. projects* *Refunding existing private placement debt*	11/18/19	11/27/19	1/7/20	11/18/19	1/7/20	Complete	12/19/19 1/7/20 1/15/20 1/24/20	1/15/20	11/22/19 12/16/19	1/30/20	2/11/20	2/26/20 3/2/20	Final Present Value Savings $1,663,324	Financial Advisor – PFM Public Sale Series A Tax-Exempt $51,990,000 Series B Taxable $25,425,000

FY 19-20 Goal: Complete two bond issues totaling approximately $30 million by June 30, 2020.

Total bonds issued as of 3-2-20: $196,180,000 with total PV savings of $4,937,560.

Estimated based on Seattle University closing in June 2020 – Total bonds issued: $271,180,000 with total PV savings of $7,543,910

TAB 12

February 21, 2020

Mr. Steve Walker, Executive Director
Ms. Carol Johnson, Manager
Washington Higher Education Facilities Authority
1000 Second Avenue, Suite 2700
Seattle, WA 98104

Dear Mr. Walker and Ms. Johnson

On behalf of the Washington Higher Education Facilities Authority (the "Authority") and the institutions who borrow through the Authority, we have calculated the estimated interest savings that resulted from issuing tax-exempt bonds through the Authority, compared to the interest cost of comparable taxable rates. The purpose is to quantify the benefit of issuing tax-exempt debt through the Authority and determine the benefit to Seattle Pacific University (the "University").

Consistent with the final sizing of the Bonds, we have relied on the following assumptions in our estimates for the taxable debt service.

- Bond proceeds of approximately $91,000,000
- Actual costs of issuance and underwriter's discount
- Final maturity in 25 years (October 1, 2045)
- Structured to achieve aggregate annual level debt service.

In order to estimate the taxable debt service, we put together a taxable pricing scale based on available market data including Thomson Reuters Municipal Market Data (MMD). We've review the MMD yield curves for Baa and A rated credits to approximate the taxable pricing scale for entities with similar credit profiles to that of the University. Debt service for the tax-exempt bonds reflects actual debt service of the Bonds.

Our analysis is summarized below. In addition to the assumptions described above, this analysis assumes the bonds are held until final maturity. Early redemption, or any other material changes to the bonds, could result in a material deviation from the figures shown below.

Nominal Cash Flow Savings	PV Cash Flow Savings
$2,423,508	$1,663,324

If you have any questions or comments regarding the benefit to the University from using Authority issued bonds, please contact Thomas Toepfer at (206) 858-5360 or Steven Amano (206) 858-5366.

Sincerely,

PFM Financial Advisors
Thomas Toepfer
Director

THE CHRONICLE
of Higher Education

Colleges Have Been Waiting for Guidance on How They Can Send Stimulus Money to Students. Here It Is.

By Danielle McLean APRIL 21, 2020

Over the past few weeks, college administrators have been grappling with how to distribute coronavirus stimulus money to their students. On Tuesday, they got some clarity — as well as some new complications.

In newly released guidance, the U.S. Department of Education informed administrators that they are only allowed to issue funds to students who are eligible for Title IV financial aid. That cuts out international students and undocumented immigrants — including those receiving Deferred Action for Childhood Arrivals (DACA) protections — from receiving any of the roughly $6 billion that the Cares Act allocates directly to emergency student aid.

Those limitations came even as the stimulus law itself made no mention of eligibility for federal student aid to qualify for the emergency money. In addition, the formula Congress used to allocate the money included all students, not just those who can receive the Title IV dollars. Some higher-education associations questioned whether the department had made a reasonable interpretation of the legislation.

"There's nothing in the law that seems to preclude these funds from going to students who are not eligible for Title IV," said David Baime, senior vice president for government relations and policy analysis at the American Association of Community Colleges. "We're disappointed at an extremely narrow interpretation of the statute," he said.

In response to questions surrounding the new guidance, the Department of Education said in a statement, "The Cares Act makes clear that this taxpayer-funded relief fund should be targeted to U.S. citizens, which is consistently echoed throughout the law."

As of Monday, only a small percentage of colleges had received any stimulus from the department, and about three-quarters of eligible colleges had not filed the paperwork needed to receive it, *Politico* reported. The department blamed colleges for "dragging their feet" in applying for the aid, while others quoted by the outlet characterized that as unfair, given that there were unanswered questions regarding what colleges were allowed to do with the money.

While Tuesday's guidance answered questions, it also left some administrators concerned about the "financial stability" of many international and undocumented students, said Tom Harnisch, vice president for government relations at the State Higher Education Executive Officers Association.

Justin Draeger, president of the National Association of Student Financial Aid Administrators, said because of the way language in the department's guidance is worded, it could be difficult, maybe impossible, for any student that has not yet filed a Free Application for Federal Student Aid (Fafsa), to apply.

Under the guidance, students eligible to receive funds need to be a citizen or an eligible noncitizen and have other records such as a Social Security number, a selective service registration, and a high-school diploma or a GED — information colleges may not have unless a student submitted a Fafsa, Draeger said.

"The lengths the department will go through to exclude DACA students will hurt all sorts of students," Draeger said. "In all practical purposes, I don't know how an institution would document those things without a Fafsa."

The new guidance could delay the aid distribution further since some colleges will likely now need to modify the plans they used to determine which of its students would receive the funds, Draeger said. And it has already raised additional questions, he added.

The guidance also does not allow students to apply any of the funds to pay off outstanding balances to their college. Colleges that distributed their own Covid-19 emergency funds to students before March 27 are not allowed to reimburse themselves using the Cares Act funds. And students can receive funds either by cashing a check or depositing it into their debit account.

On Tuesday, the department also announced that the other large chunk of the Cares Act money earmarked for higher education — about $6 billion meant to help institutions with their operating costs — was available. But institutions are required to apply for the student-focused money first, the department said. About half of eligible institutions had applied for the student-focused funding as of Tuesday, the department said.

Baime, with the community-college association, said the release of the money that would go directly to institutions was a bright spot. "The good news," he said, "is that colleges can use that money to reimburse themselves for refunds they made and technology they purchased."

Eric Kelderman contributed reporting.

Danielle McLean writes about federal education policy, among other subjects. Follow her on Twitter @DanielleBMcLean, or email her at dmclean@chronicle.com.

GOVERNING

Can Colleges Reopen in the Fall? If Not, Some Won't Survive

Colleges and universities face a worse situation than the Great Recession. States are bound to cut their budgets, while every other revenue source — tuition, dorm fees, donations, endowments — are under pressure.

ALAN GREENBLATT, SENIOR STAFF WRITER
APRIL 21, 2020 | ANALYSIS

On Friday, the chancellor of the Vermont State Colleges System announced a plan to close three campuses, affecting 2,000 students and 500 staff. Due to heavy pushback over the weekend, from Gov. Phil Scott on down, a board vote on the decision -- originally scheduled for Monday -- has been put off, at least until next week. But trustees warn that the financial picture grows darker daily.

The type of tough decision playing out now in Vermont is bound to happen in other places. Around the country, higher education is being buffeted from all directions. Nearly all the major revenue sources — tuition, room and board, activity fees, charitable giving — are under severe pressure. The problems will grow decidedly worse if campuses aren't able to open up again in the fall, a scenario that looks increasingly likely.

Public colleges and universities are certain to see cuts in aid from financially strapped states. "States will miss hundreds of billions, if not more, in revenue that will never be recovered," said Dan Malloy, chancellor of the University of Maine System. "This is the downturn of 2008 on steroids."

The entire field of higher education is entering a period when it may face fundamental disruptions.

Even the wealthiest institutions, such as Harvard and Princeton, are announcing hiring freezes and other spending reductions. The situation naturally is worse at most institutions, which don't rest on the same financial cushions.

There were already real questions about whether regional universities, which have been struggling to attract students, could survive. The same is true even for small private colleges, which offer heavy tuition discounts but don't have large endowments to back them up. "We were aware of these trends prior to this," says Aims McGuinness, a senior fellow with the National Center for Higher Education Management Systems (NCHEMS). "What this is going to do is make them horrifyingly graphic."

Malloy, a former Connecticut governor, hopes that states won't automatically cut higher education as severely as they did during the Great Recession, with 20 percent reductions in aid between 2008 and 2012. Adjusted for inflation, state higher ed spending still hasn't recovered, particularly on a per-student basis.

But higher ed always presents a tempting target when states are hurting, since such spending is discretionary and institutions have their own sources of revenue, such as tuition. That's how student debt became a trillion-dollar-plus problem and a top political issue. Depression-level unemployment will make it harder for students and their families to pay. "We know almost all the state aid programs were already oversubscribed, even in a healthy economy," said Brian Sponsler, vice president for policy at the Education Commission of the States.

If students don't return in the fall, colleges and universities will be in a world of hurt. Already, the American Council on Education, an advocacy group, predicts that enrollment is set to drop by 15 percent in the fall, including a 25 percent reduction in the number of international students, who have been a cash cow for many campuses in recent years. Some schools are crafting contingency plans that forecast much sharper drops.

Last month's federal stimulus package, known as the CARES Act, included $14 billion for higher education. The American Council on Education and other higher ed groups are asking Congress for a lot more — $46.6 billion, divided evenly between students and institutions. Given the current challenges, Malloy isn't convinced that amount will be enough. "We're talking about a loss of money in the $100 billion range, not the $46 billion range," he said.

Right now, state policymakers are dealing with the immediate public health and economic emergencies created by the coronavirus. At some point, they'll have to decide what they want from higher ed — and what they're willing to pay for — or they could wake up to find that the system is damaged almost beyond recognition. "Unless there's some understanding of the shifts underway," McGuinness says, "what will be left at the end of the day will be the few places that can survive."

Fall Reopening Not Likely

Like everyone else, higher ed officials have had to adjust their responses to coronavirus repeatedly in recent weeks. First, there was the scramble to close campuses and move courses online. Soon after, there was a recognition that summer sessions would have to be canceled. Now, there's a growing realization that terms might not open normally in the fall.

Surveys of university presidents released at the beginning of the month found that about 40 percent of them believed fall courses would have to be held online, at least to start. That share has likely grown.

A Cornell working paper released on April 11 found that campuses are "small world" networks, with lots of interaction among students in close quarters. How much? At Cornell, the average student sits in classes with more than 500 other students per week. "The average student can 'reach' only about 4 percent of other students by virtue of sharing a course together, but 87 percent of students can reach each other in two steps, via a shared classmate," according to

Cornell sociologist Kim Weeden, co-author of the working paper. “By three steps, it’s 98 percent.”

No institution will want its dorms to be the next facility with close living arrangements -- like cruise ships, nursing homes and prisons -- to experience a serious outbreak.

“The idea that we will have the traditional fall opening is probably fantasy,” said Sponsler, of the Education Commission of the States.

If campuses don't reopen, a lot of students will decide it’s a good time for a gap year. No one wants to pay $60,000 to take Zoom classes. Enrollment declines will be steep, but will vary by region, said Mildred García, president of the American Association of State Colleges and Universities.

“If you look at the West Coast, it should be pretty stable — they’re looking at a 10 to 20 percent drop,” she said. “In the Northeast and rural areas, which were already having enrollment challenges, some of them are looking at even a 30 to 40 percent decrease in enrollment.”

Death by Thousands of Cuts

Plunging enrollment will present all kinds of problems for higher education systems. Obviously, students who aren’t enrolled won’t be paying tuition. Lots of funding at both the state and federal levels is based on the number of students who show up and occupy seats.

Even if students are enrolled but learning online, they won’t be occupying dorms or purchasing meal plans. Those are major sources of revenue. In fact, campuses could struggle to pay off construction bonds that were financed based on dorm occupancy.

It’s possible that more students will opt to attend community colleges, because they’re cheap and may be closer to home. “Once they go back, parents are not going to want to send their children far away,” García said. “It’s a scary time.”

It’s not just students who will go missing from campus. Renting out space during the summer to conferences, sports programs and camps are also a big source of ancillary revenue for institutions. There’s a fair chance that college football and other sports will be canceled, or played in front of empty stands, eradicating ticket revenue and possibly broadcast licensing fees.

Universities that rely on generous alumni for financial support will be competing for donations with food banks, community assistance programs and – well, just about everybody. Donors may feel less generous anyway, with the stock market still down from its February highs. Universities that have endowments have also watched their own portfolios take a hit.

Systems that have medical centers are losing money, due to the lack of elective procedures. On Monday, Washington University in St. Louis announced a plan to furlough 1,300 employees for 90 days, primarily at its medical campus, although it says some furloughs will be voluntary.

Enrollment usually goes up during recessions, as individuals seek safe harbor during a time of high unemployment or look to sharpen their job skills. That could still happen, but university officials are nervous that families whose personal finances have taken a plunge ever since they filled out financial-aid forms just a couple of months ago may decide college has become an unaffordable investment. “I don’t think families will be interested in taking on additional debt,” Sponsler said.

Changing Students, Changing Campuses

This is the time of year when high school seniors should be making their commitments. Colleges and universities are doing what they can to increase their numbers — waiving application fees and testing requirements, hosting virtual tours and pushing back deadlines.

Student bodies look a lot different than they did a generation ago. Already, so-called non-traditional students (those 25 and older who often attend part-time) make up 40 percent of the population. About half of today’s students are non-white. Higher numbers of minority students have translated into more first-generation college students, who are often low-income and may lack as much preparation or technological savvy as prior cohorts.

Many campus observers believe that the shift to online instruction is here to stay, although it won’t necessarily become the dominant approach. Most likely, more programs will become blends, with perhaps a year of online or experiential learning to supplement classroom learning. “We’re going to become, universally, a hybrid system over time — every system,” said Malloy, the Maine chancellor.

Redesigning courses to be successful virtually will take a lot more effort than the week’s worth of prep time many professors received last month. And getting students ready — or even universally equipped with laptops and broadband — also presents a challenge.

“States have made real progress in recent years in their education attainment goals,” said Tom Harnisch, vice president for government relations at the State Higher Education Executive Officers Association. “If resources aren’t available and deep cuts take root, this could be a real step back for states in their progress on their workforce goals and closing equity gaps.”

Statewide Strategies

There’s already evidence that states, given dire budgets, will once again cut higher ed first. When Missouri Gov. Mike Parson froze $180 million in state spending earlier this month, $73 million came out of higher ed.

Cuts are inevitable, but states will need to think about managing their entire higher education systems and deciding what they need them to accomplish. It won’t be enough to keep the flagships healthy. Community colleges may not have the capacity to handle an influx of students without more help. Smaller regional universities, some already on the brink, provide lifelines to local economies and help to prepare workers, including adults who would no sooner leave town to go live on campus than they would ride a rocket to the moon. Ad hoc cuts decisions will leave higher ed as a whole unable to respond to student priorities or the economic and workforce needs of the state.

That’s why Malloy is trying something new. Heading into the crisis, the University of Maine System has already seen state support as a share of revenues has dropped by half in recent years, from two-thirds to one-third. Enrollment keeps dropping as Maine, which has the oldest median age population of any state, runs low of 18-year-olds.

The University of Maine has seven campuses. To cut costs, Malloy wants them to collaborate more, combining programs and sharing administrative overhead. Accrediting agencies generally won’t bless campuses that don’t have their own enrollment managers or deans of students. That’s why Malloy wants his system to receive a single, unified accreditation, so they can share positions and instruction.

Already, the campuses at Presque Isle and Fort Kent, which are about an hour apart, have shared programs in areas such as nursing and education. Malloy thinks a lot more can be done and will need to be done. “We hope to have our unified accreditation recognized in time for it being one of our tools for dealing with the environment we find ourselves facing now,” he said.

He’s not alone in thinking this way. Last year, the University of Alaska sought to merge its three campuses under a single accreditation, but the plan was rejected. The three University of South Florida campuses are pursuing a similar strategy. Connecticut wants to consolidate its two-year institutions, while Georgia has cut the number of its standalone universities in half through a set of mergers over the last seven years.

Consolidating administration won’t solve all the problems higher education now faces, but it would be smart for states to think strategically about what they hope to preserve. Left to their own devices, different campuses will have different priorities, as well as different levels of success in preserving them.

Systems like Vermont State Colleges and the University of Maine that were already struggling with declining enrollment and state budget cuts are now the canaries in the coal mine for higher ed everywhere.

“States need to develop a framework to make sure the basic capacity on critical workforce needs is sustainable,” said McGuinness, the NCHEMS senior fellow. “What’s really important to the state looking out two to three years? Without that, a lot of it’s going to die.”

THE CHRONICLE
of Higher Education

. How College Leaders Are Planning for the Fall

Their pivot online salvaged the spring semester. Now they must ready for a near future defined by unknowns.

By Lee Gardner April 17, 2020

In January, when Larry Sampler called a meeting of area college leaders to discuss coronavirus-outbreak contingency plans for Metropolitan State University of Denver and other colleges, people thought he was overreacting. At the time, the virus was mushrooming across China, but only a handful of cases had turned up in the United States.

Sampler had made a career of being hyper prepared. Before joining Metropolitan State as vice president for administration and finance, he spent years in the military, as a Green Beret, and later as a U.S.-government official in Afghanistan and Pakistan.

That first hour-long tabletop exercise explored scenarios that seemed unlikely then. For example, what impact would it have on operations if you couldn't come to your office for 30 days? But it established the basis of a plan, a series of decision points and options that allowed Metropolitan State to adapt quickly when the virus edged closer to campus.

Even with all that planning, the coronavirus nearly caught the leaders of Metropolitan State off guard. In midmorning on March 17, they got word that a member of the administration had tested positive for the virus. "We vacated the campus by 2 o'clock," Sampler says. "We left, literally, with cups of coffee warm on the desks."

The Covid-19 pandemic overwhelmed American higher education as easily as it did the public-health system. Colleges belied their reputation as glacial plodders by moving instruction online within weeks, even days, salvaging the semester. But the virus shows few signs of abating. Summer looms. And beyond it, fall, a season with deep ritual significance and critical financial ramifications for academe.

An almost instinctive pivot saved the spring. Now college leaders face making plans for a near future defined by unknowns.

How do you decide if it will be safe to bring students back to campus for the fall when there's no reliable prediction of what course the disease will take? Wait too long for clarity to emerge, and you're scrambling. Act too soon, and you might miss the chance — albeit perhaps a slim one — for an ordinary move-in day. What happens if the virus is contained this summer, then roars back in the fall?

And here, in the midst of budget season, how do you plan for next year with no reliable predictor of how many students will show up, on campus or online? After years of declining enrollments and ebbing tuition revenues, colleges face levels of financial unpredictability not seen since the Great Recession.

The stability, or continued existence, of some institutions may hang in the balance.

Many college leaders are trying to focus on the future while already reeling from heavy financial tolls. The University of Wisconsin system, for example, has estimated it will lose $170 million in the spring semester alone from refunding room, dining, and parking fees to students, and other unexpected expenses. Plunging financial markets cast a pall on the longer-term financial outlook for other institutions as well. Bucknell University's endowment, worth $867 million in 2019, lost about $150 million of its value, or 17 percent.

The approaches colleges are taking to plan ahead vary as widely as the institutions themselves. Some are already working toward online learning for the fall semester, or an altered schedule, or some combination of the two. Some have already run financial projections that account for drops in enrollment or state support, and their accompanying levels of budget cuts. Some are prepared to go online for the entire 2020-21 academic year, if need be.

Others are still playing it by ear, inching toward decisions as days tick by. Meanwhile, the stakes continue to rise.

The possibility of a "normal" fall will hinge on the virus's being controlled in a way that seems impossible to forecast right now. Even if the virus does appear to be contained enough for a regular move-in day in August, a new outbreak in October or November could dictate a repeat of the scrambles of March.

Leaders can't predict the course of the virus, but they can plan their own responses. Since early February, soon after Covid-19 cases started popping up in the United States, leaders at Northeastern University have directed the institution's response by “planning for the worst case, and having scenarios backed out from that worst case,” says Kenneth W. Henderson, the chancellor. Now that the spring semester is online and plans are underway to teach summer courses remotely, he and his colleagues are pondering options for the fall and beyond.

“We’re looking at fully online, and then we’re looking at hybrids of that,” Henderson says, and that means improving the university’s remote teaching. Forty faculty members are working to design a new freshman curriculum that can be delivered online, and Northeastern is trying to improve its existing remote-education experience.

Face-to-face instruction in classrooms starting in August does not sound like a very likely scenario at Northeastern. When asked about it, Henderson demurs. If reliable testing for the virus can increase over the summer, “the world could look very different,” he says. But whether there will be a normally functioning society by then, he adds, seems “debatable at the moment.”

Kent Devereaux, president of Goucher College, a private institution in suburban Baltimore, hates to make a hasty call. “A good mentor of mine always instilled in me: Don’t make any decision until you have to,” he says. The longer you wait, the better your information will be. But when you make your decision, he adds, “be decisive and be clear, and make sure you’ve got your plans.”

With his cabinet and the Board of Trustees, Devereaux is considering several possible plans for college operations for the fall. In one scenario, Goucher might start its fall semester later than the typical late-August date. Or it might start the semester online, then bring students and classes back to campus later in the term. In another scenario, the college would operate online for the rest of the calendar year. In what Devereaux calls the “black swan” scenario, the college would do so through the 2020-21 academic year.

Public-health decrees about lockdowns and social distancing aren’t the only factors that influence which plan wins out. Goucher’s leaders have to evaluate how each scenario would affect employees, student-athletes, the college’s community-based learning programs, internship programs, and many other factors, Devereaux says.

He can put off deciding among the plans for only so long. Goucher moved its housing-deposit date from May 1 to June 1, giving students and their families extra time to decide in an uncertain time. But Devereaux plans to announce in mid-May how Goucher will operate in the fall, so that students know what the college is going to do before they make their deposits. If you’ve already done the planning work and things change between mid-May and mid-August, Devereaux says, “you have a Plan B in your back pocket.”

That kind of scenario planning is something academe needs to get better at, says Rick Staisloff, founder of the Rpk Group, an education consulting company. Academe, like many sectors, is adept at preparing for expected hurdles. But if an organization can face unexpected challenges, and if it considers possible scenarios that might address them, and thinks about the ripple effects as events unfold, “you’re ready to deal with the surprises that come,” he says.

Say, for example, a college opens for the fall but projects a 20-percent drop in enrollment, Staisloff says. What does that mean in terms of financial impact? In terms of how many courses — and sections of those courses — it offers? Might it need more counseling services or fewer? What if there’s a 20-percent drop and campus is still closed? How does the financial impact change? How would counseling services need to adapt?

It’s complicated work, but, Staisloff says, “those are muscles that are going to have to get built in higher ed,” even though it can seem like wasted energy during an emergency to play out different possible scenarios, most of which won’t come to pass. The pandemic has put unprecedented stress on colleges and their leaders. For weeks, everybody was just “responding to the immediate,” he says.

Some colleges still are. Hartwick College, a private institution in New York State, still has summer weddings and swim camps booked. “We’re going to have to start making some decisions ahead of really knowing what’s going to happen next,” says Margaret L. Drugovich, the president. Current plans call for postponing spring commencement until September, “and I hope that we can do it at all.”

She is meeting with her cabinet and with the Board of Trustees, and starting to look toward what fall will look like at Hartwick, but “there is no timetable,” she says. “I’m trying to stay just one step ahead.”

Even if the virus disappears by July, will students show up in August? No one can say. A survey found as many as one in six college-bound high-school seniors are rethinking whether they will attend college this fall.

Students might stay away for myriad reasons, says Brian C. Mitchell, a former president of Bucknell University and president of Academic Innovators, a company that consults with colleges. A family on the West Coast might hesitate to put its daughter on a plane to an East Coast institution, and vice versa. A first-choice college located in a small town, many miles from the nearest large hospital, may suddenly seem less appealing. New York City and Baltimore both have elite colleges and excellent health care, but they're also dense urban centers, which might worry those concerned about another outbreak. International students may be even more wary of returning.

If colleges are online-only again this fall, students and their parents may balk at being asked to pay full tuition. They were willing to live with online instruction this spring because they understood that it was an emergency, says Robert Shireman, a former Education Department official and a senior fellow at the Century Foundation, a nonprofit organization that advocates for equity in education. Being asked to pay tens of thousands of dollars in tuition to sit on their couches for an entire semester is another matter. "If you're going to be studying online, why not enroll someplace that's cheaper and transfer?" he asks.

Students were already asking this spring whether remote learning was worth the price, says Sarah R. Bolton, president of the College of Wooster, a private institution in northeastern Ohio. She has answered that their tuition pays for the high-quality faculty members, the small classes, and plenty of individual attention — even remotely. "It looks as much as it can like a small-college education," she says, "rendered in a way that serves students who are across the country and around the world while they're doing it."

But is charging the on-campus price for remote learning sustainable past a semester or two? "That's a super-challenging question," she says. "Because it certainly doesn't become less expensive on our end to do it right. You still need just as many faculty members."

What students want to do may be moot. Between soaring unemployment and general financial uncertainty about a prolonged societal shutdown, a significant number of families "just might not be able to write the check right now," says Staisloff. Between medical and economic worries among students and their families, most college leaders would "be foolish not to consider among all your scenarios a significant, significant drop in enrollment for the fall semester."

Steep enrollment drops mean big revenue drops. Many colleges can cover short-term budget gaps with reserve funds or lines of credit, but the longer-term picture is often less clear. Drawing funds from already-embattled endowments is a desperate move. It amounts, Mitchell says, to "eating your seed corn" — a fix for short-term financial problems that endangers your long-term financial health. Raising tuition is not an option.

So the only move many colleges have left is to cut expenditures.

Public institutions face budget peril on two fronts: their enrollment and their state support. Administrators at Purdue University began working on financial models for the fall "as soon as we saw that this was not going to be a phenomenon measured in days or weeks," says Mitch Daniels, the president. Purdue has received a record number of applications, and more housing deposits than at the same time last year. But Daniels, a former Indiana governor, still expects a significant impact on the university's enrollment and finances "if society isn't liberated sometime fairly soon." Purdue also expects to feel the impact of the pandemic shutdown on the state budget. Even though Indiana has strong financial reserves, the state "is almost certain to reduce its payments to us," Daniels says.

Daniels recently shared with Purdue's Board of Trustees a proposed version of "the actions, the triggers, we would pull to maintain some sort of fiscally sound position in five different scenarios," which he didn't disclose and which are based on different levels of fall enrollment and state support. "Obviously," he says, "those triggers, or those actions, become progressively more severe and unpleasant, depending."

At Evergreen State College, a public liberal-arts institution in Olympia, Wash., the enrollment picture may be more nuanced. Its average student is in her mid-20s, and about half are transfers — often the type of learners who turn to college when the economy tanks. One encouraging sign: Enrollment for the spring quarter, which just began online, was only slightly below last year's level. While most colleges must plan for an enrollment drop, says George S. Bridges, the president, administrators at Evergreen have to prepare for either a drop or an increase, "with an emphasis on drop."

But state support presents a less-hopeful picture. Washington has no state income tax and depends heavily on a regressive sales tax. The prospect of state-budget shortfalls cascading into steep cuts for public higher education is "a dark cloud that looms," Bridges says. "I'm getting emails from legislative leaders saying, 'anticipate cuts.'" Leaders at Evergreen are working on financial projections for the fall to be ready next month, although he adds that there isn't much inessential left at the college to cut.

At Metropolitan State, Janine A. Davidson, the president, has been working with administrators to run financial projections for the fall based on possible drops in enrollment, and has talked to the campus community about the possibility that budget cuts may result. But she's also waiting to see if savings from current austerity measures, or any bailout money from the federal Coronavirus Aid, Relief, and Economic Security Act, can be carried over from the current fiscal year to help offset any shortfall in the next. She's also waiting to see how the state legislature, which reconvenes next month, will handle the state budget, which its budget committee says could fall $3 billion short.

Even if enrollment is down in the fall, even if Metropolitan State has to make cuts, it has to be careful not to cut too deeply, Davidson says. If the pandemic hurts the economy the way the recession did, enrollment might dip this fall, but students might flock back to colleges in 2021 to learn new skills, to try to re-enter the job market. Metropolitan State, and other colleges across the country, have to be there, ready to help.

"This is where higher ed, I believe, becomes the engine room for this recovery," she says. "But what is the new normal in terms of state support, and where do we go? How are we going to adjust not just our budget but our very business model?"

Public-college presidents face serious challenges, but they are also worried about their private-college peers. Small private colleges with high tuition-discount rates and modest endowments that already struggle to bring in revenue from a shrinking pool of potential students "are the 80-year-old asthmatics of this situation," says Daniels. "They were already vulnerable, and now comes a threat that could prove particularly dangerous for them, or lethal."

About 20 percent of the College of Wooster's enrollment comes from overseas, which put the coronavirus on its radar early on, says Bolton, the president. It switched from recruiting international students in person to doing so virtually, which also gave it a small head start in recruiting domestic students that way. The college is 40 deposits ahead of where it was last year, including students from more than two dozen countries, she says.

But fall enrollment will not be merely a matter of ticking boxes and counting heads this year at Wooster. Students may need more time, and more financial aid, and the college is trying to help them, because "the students whose families had difficult financial circumstances before the pandemic are likely to be the ones who've been hit even harder by the pandemic."

Wooster has suspended the practice of preventing current students who have yet to pay outstanding bills for this year from registering for fall. The financial-aid office is also working on how it might recalculate more aid packages over the summer. Financial aid is calculated with prior-year tax forms, a formula that is "almost irrelevant for where people are now," Bolton says. "We really want to be thoughtful about that."

At Hartwick College, Drugovich, the president, is working on a fall budget, or rather budgets, since she's not sure yet how much savings from this fiscal year will help, or how much tuition from enrollment for the summer session will come through. "At this point, we're evaluating everything," she says. "You'd have a hard time pointing to anything that was really stable."

Still, not every small private college is in the same boat. At Goucher, Devereaux has been working on financial projections for the various scenarios that he and the board will consider for the fall. The college has adequate cash reserves to operate for a year, at a deficit if need be, and should not have to dip into its endowment, although the "black swan" scenario of teaching online through next spring would force "some hard, hard choices," he says. "Does it threaten the survival of the institution? No. And I think that's the important thing."

Some colleges may not be able to weather this set of stresses. Years of warnings about waves of college closures, often seen as Chicken Little alarmism, may finally be ready to come true.

Institutions that are vulnerable should do the right thing and start pursuing a merger, a sale, or a shutdown now, says Shireman, of the Century Foundation. "Any institution that has been in that barely-scraping-by category for the last few years, in the next month or so needs to take a very serious look at what is coming," he says.

Even if shelter-in-place orders are lifted this summer, fall enrollments could be suppressed by double-digit percentages. If a college would have trouble surviving that, Shireman says, it should consider winding down operations now rather than "not being able to cover the bills and being forced to shut down and causing a lot more disruption for the students who are involved."

The single biggest mistake that colleges seeking a merger or a sale make, says Staisloff, the consultant, is waiting too long to put the question on the table. Distressed institutions "wait beyond the point where they have some resources to utilize, some assets to make them attractive, and time, quite frankly, to use to identify a good partner," he says.

The colleges left standing may find themselves in a very different landscape. Even as they try to plan for the fall, some leaders are looking beyond it. "For most of higher ed, it is an inflection point," says Daniels, of Purdue, a time that will probably lead to "ongoing, permanent changes in the way we do things."

At Purdue, Northeastern, and Metropolitan State, leaders have asked committees to look not only at tactics the institutions need to adopt for remote learning, or possible plans for an uncertain fall, but at what their institutions should consider as permanent adaptations to the 21st century, such as more and better online content. "Please show us those steps, or think about steps, that are reversible if it may not be necessary once we're past it," Daniels sums up. "And those that we probably want to do anyway in light of what I believe will be a permanently altered reality."

Devereaux, of Goucher, is confident that, even in the brave new world of 2021, whatever shape it takes, students will still want the traditional college-campus experience if it's available to them. "What we've heard loud and clear from our students is they selected a residential college for a reason," he says. "They could have gone to Arizona State University online" or Southern New Hampshire University online. "They chose not to."

When it's safe to get off the couch and get back to campus, many students will make that trip. Whenever that is.

Lee Gardner writes about the management of colleges and universities, higher-education marketing, and other topics. Follow him on Twitter @_lee_g, or email him at lee.gardner@chronicle.com.

NAHEFFA
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Supporting ACCESS

Spring 2020

Harry Huntley

NAHEFFA President's Message

by Harry Huntley, Executive Director
South Carolina Jobs-Economic Development Authority

The bombing of Pearl Harbor, the assassination of President Kennedy, the first man walking on the moon and the 9/11 attacks on the World Trade Center towers are all events that everyone can remember the moment it happened. While Covid-19 is not marked by a single moment, it will certainly be remembered as one of the most significant events of our lifetime. Think of every adjective you know, and it does not begin to describe our world at this moment. The losses are huge, and everyone has their own story to share.

The CARES Act passed by Congress recently will, hopefully, go a long way toward leading our economy and country to a speedy recovery. A special thanks to Chuck Samuels and his team at ML Strategies for protecting the bonds that we issue for nonprofits in the legislation that moved with incredible speed. The relationships they have formed on Capitol Hill over the years were once again leveraged to ensure that the market for the bonds issued by our member authorities remained stable. We are lucky to have such an effective advocate in Washington that allows us to fight well above our weight.

It has been an honor and my pleasure to serve as President of NAHEFFA for the past two years. Many thanks go to the board and committees for the hard work they have done. We have been working without an Operations Director for the past six months, which could not have been done without the additional work of committees and a yeoman's effort by Dennis Reilly and his staff. His office took over many duties and is also responsible for streamlining the conference registration and sponsorship process. We should reap dividends from everyone's efforts in the coming years. We have also revived the Strategic Implementation Operations (SIO) Committee with Maribeth Wright as chairperson to begin the search and hiring of a new Operations Director.

There is no doubt that I was the final holdout on cancelling the Spring Conference in Charleston in April, but the decision was inevitable. The conference and sponsorship committees started planning early, great programs were lined up, incredible venues were reserved, and Charleston is perfect this time of year. Many of you had already made plans to visit Folly Beach, Kiawah Island and other beautiful beaches nearby. Please make plans to visit Charleston soon. It deserves all the accolades.

Since we will not be holding the Spring Conference, the next corporation meeting is to be by teleconference on April 29 for committee reports and election of officers. Be on the lookout for more information soon.

The Fall Conference will be in Milwaukee, Wisconsin September 16-18. It will have been a year since we were last together. Way too long. Dennis Reilly is hosting and has been planning for months. I can't wait to see everyone there.

Future NAHEFFA Conferences

September 16-18, 2020
Milwaukee, WI
Journeyman Hotel

April 18-20, 2021
Washington DC
The Mayflower Hotel

In This Issue...

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Chuck Samuels

WASHINGTON ADVOCACY REPORT

April 9, 2020

by Charles A. Samuels, Mintz Levin | General Counsel, NAHEFFA

Wow. Every time we think that we've hit bottom, we find that there is a new bottom. As with every other sector of the economy and life the pandemic is ravaging nonprofit finance and the institutions we serve.

As a small association with limited resources we need to focus, prioritize, really triage and that is what we have done. We have to keep in mind that our allies in the hospital and education sectors have enormous non-tax-exempt bond agendas which they need to advance and they did to a large extent successfully. But that means they need to rely on us more than ever to work on the tax-exempt bond stuff.

In order to increase our leverage and reach, I asked my ML Strategies colleagues – you remember their critical assistance during Tax Reform to save private activity bonds – to help us on the stimulus issues. Neal Martin in particular has been a godsend and with his deft touch and relationships many congressional staff responded to him off hours and over a weekend during the critical period.

The recently passed stimulus bill contains an important provision for the Federal Reserve to purchase, among other things, muni debt in order to attempt to calm down the secondary market as well as to create an environment which will allow original issuances to go forward. New debt purchases were also authorized—see below. Remarkably, this program was opposed by the White House and was met with much reluctance by many congressional Republicans who did not see the need for direct assistance to state and local governments.

Fortunately, this reluctance was overtaken by events. But, the initial draft of the Senate bill – – where this stimulus bill started – – only mentioned municipalities and states, leaving out an enormous swath of the municipal bond market, notably counties, and also all the political subdivisions and debt of authorities such as our type for the nonprofit sector. You would think that what surely must have just been initial naïve drafting would be quickly fixed, but it was not. It took an enormous effort in partnership with GFOA and the state treasurers in particular to broaden the scope of this critical program. We succeeded ultimately in the final Senate bill, and the House acceded to the Senate.

This effort required outreach and communication by many of you to congressional delegations, even over a weekend. It was much appreciated. Congressional staff needed specific, concrete information which you provided. A number of you also provided information to AHA about the perilous state of your hospitals which was funneled into the effort for overall hospital relief.

We support a secondary market purchase program but there are many unanswered questions about how it will be structured and how Fed buying decisions will be made. I am sure however it originally is stood up will need to be adjusted quickly. At the same time, many of our borrowers in health care and education are looking to the grants and loans programs to be put on line.

But breaking news—what Fed/Treasury actually announced is the Municipal Liquidity Facility. This facility will support lending up to $500 billion in note purchases by a Fed-backed special purpose vehicle (SPV) from U.S. states and the District of Columbia, U.S. cities with a population exceeding one million residents and U.S. counties with a population exceeding two million residents . The SPV will purchase tax anticipation notes, tax and revenue anticipation notes bond anticipation notes and other similar short-term notes maturing no later than 24 months from the date of issuance. Only one issuer in each State, City or County may directly sell its notes to the SPV.

The maximum note purchase is limited to an amount equal to 20% of the State's, City's or County's general revenue and utility revenue for fiscal year 2017, but States may request that the SPV purchase notes in excess of such limit in order to assist political subdivisions and instrumentalities that are not eligible for the liquidity facility.

An issuer may use the note proceeds to help manage the cash flow impact of income tax deferrals resulting from an extension of an income tax filing deadline, potential reductions of tax and other revenues or increases in expenses related to or resulting from the COVID-19 pandemic, and debt service payments on its obligations.

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12-19

WASHINGTON ADVOCACY REPORT (Continuted...)

Here's the potentially really important part: an issuer may use note proceeds to purchase similar notes issued by, or otherwise to assist, political subdivisions and instrumentalities of the relevant State, City, or County for the above-described purposes. This may cover our issuances for our borrowers.

The cost of funds on the notes will be based on the issuer's rating at the time of purchase. An origination fee equal to 10 basis points of the principal amount will be payable by the issuer and may be paid from the proceeds of the issuance.

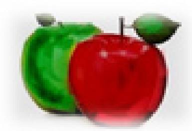
What's next? The House at least is looking at a further stimulus/ infrastructure bill and obviously that brings us to our longtime advocacy for small borrowers and more recently bringing back advance refunding in some form. There also will be promotion of direct pay bonds and other new forms of tax-exempt bonds. We will continue to promote our agenda there. The Speaker has walked back her original proposal for a full -throated infrastructure bill but even a COVID oriented one clearly implicates the need to further enhance governments and the health care sector. The politics change every day. As I write this the Senate failed to replenish the small business fund because of partisan arguments about whether to add money for governments and hospitals.

More mundane but important, we support the effort by the Bond Lawyers to get clarification from IRS/Treasury that TEFRA hearings can be handled virtually. We also have advocated to MSRB that it restrain itself on new regulatory initiatives while we and our borrowers work on the more important, literally existential issues of institutions surviving.

It's unfortunate that we had to cancel the Charleston meeting, but of course we're in the same boat as thousands of other meetings. I hope to see you all soon and continue to stay in touch.

12-20

[The following article was written in early March of 2020. Now, in early April, the current world health and financial crisis has rendered much of the content moot for now. I know we will all do our best to help the institutions we serve, and our families and communities, navigate the challenges ahead.]



TAX-EXEMPT vs TAXABLE

By: Scott P. Waller – Gilmore & Bell, P.C.

Taxable issuance in lieu of tax-exempt has become more frequent in recent years with record low yields. A common narrative is the savings spread between tax-exempt and taxable is so compressed that taxable bonds are the best alternative for NAHEFFA borrowers. We see instances, however, in which the comparison isn't always "apples to apples."

We are happy to assist with tax-exempt, taxable and mixed financings, and sometimes one may make more sense than another, yet I am concerned the general narrative about the spread between taxable and tax-exempt isn't always entirely accurate.

Traditional publicly offered tax-exempt bonds with a 30-year maturity normally have 5- 7- or 10- year par call optional redemption provisions. Publicly-offered or institutionally placed taxable bonds with similar maturities frequently provide for optional redemptions with make-whole premiums that require a borrower to pay to the lender assumed future earnings on the bonds on a present value basis. Make-whole premiums may come with opportunity costs, including limiting or eliminating the ability of a borrower to achieve economic savings by refunding in the future. Evaluating the costs of the make-whole premium may be a helpful exercise for borrowers with their NAHEFFA members and advisors. Would comparison of the spreads between taxable bonds and tax-exempt bonds, when both are shown with either a 10-year par call, or alternatively a full-term make-whole premium, show greater spreads than borrowers seeing?

I'm also a bit apprehensive of whether the data behind broad statements about spread compression between tax-exempt bonds and taxable bonds really takes into account apples to apples comparisons of yields. Taxable yields tied to very large "benchmark" borrowers that can achieve $300M+ index eligibility or access foreign investors, may not be representative of yields for medium-sized or smaller borrowers that I expect comprise a majority of the entities served by NAHEFFA members.

Finally, I wonder whether we will see a market pivot to reach more individual investors with higher tax rates (who currently derive more value from tax-exempt obligations), and whether we will see tax law changes to bring back ARRA-like 'bank qualified' status on a per-borrower basis as part of future legislation to help issuers and lenders assist distressed health and educational institutions (as NAHEFFA has suggested for years).

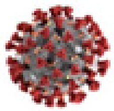
I offer these observations and questions as a bond lawyer who focuses on the legal and documentation side of transactions, not a financial advisor. I would encourage NAHEFFA members and borrowers to consult qualified analysts, bankers and financial advisors, whose daily focus is on the markets and financing numbers, for their expertise and advice on this topic.

For a general overview, a few basic distinctions among common types of bonds and other obligations, including traditional publicly offered tax-exempt, direct purchase tax-exempt and some taxable options, are identified in the tables on slides 23 and 24 of PowerPoint available at the following link: https://www.gilmorebell.com/wp-content/uploads/2020/01/501c3-Presentation-Basics-Gilmore-Bell-P.C..pdf

Some frequently asked questions regarding tax-exempt bonds and related feedback are available at the following link: https://www.gilmorebell.com/frequently-asked-questions-nonprofit-501c3-tax-exempt-bonds/

Scott Waller is a shareholder and director of the law firm Gilmore & Bell, P.C. His practice focuses on tax-exempt financing transactions for health and educational institutions and other nonprofits. https://www.gilmorebell.com/project/scott-p-waller/. The views expressed in this article are views of Mr. Waller and may not be views of Gilmore & Bell, P.C. generally.

12-21



COVID-19 – HEALTH AND EDUCATIONAL INSTITUTION FINANCE
By: Scott P. Waller – Gilmore & Bell, P.C.

The following content includes my initial observations, as a bond lawyer, regarding COVID-19, and the early reactions of health and educational institutions as they prepare for economic impacts. My initial views regarding impacts are just based on personal observations and expectations coming from my limited role and may not touch on all relevant factors or concerns. Health and educational institution officers will have the best insight and most accurate observations regarding impact on their businesses. All that noted, my initial observations follow.

- Many health and educational institutions are reacting to significantly diminished investment values impairing unrestricted cash and investments and are focused on revenue and liquidity generally, supply chain finance (health in particular), payroll, and impacts on financial covenants for debt instruments and ratings

- Health institutions, after their first priorities of delivering high quality care and preparedness for emergent community health needs, in addition to some of the general financial focuses above, are focusing on increased short-term operating/working capital needs relating to COVID-19 patients, and assessing extent and impact of other common procedures and patient visits that may be postponed or canceled, thereby changing financial performance expectations and straining some provider compensation models

- Senior living institutions, after their first priorities of protecting their existing residents, patients and personnel from the virus while providing high quality care, in addition to some of the general financial focuses above, are assessing near-term and long-term resident and occupancy impacts

- Educational institutions, after their first priority of making sure their students and personnel are in safe learning environments, in addition to some of the general financial focuses above, are preparing for operational pauses, tuition refunding, immediate pivots to online education with substantial technology costs, current and near-future drops in enrollment, and related impacts on finances, personnel and all operations

- Financial market disruption and significant sell-offs in the municipal market are (at least temporarily until markets stabilize) delaying pricings, making normally routine bond sales difficult to complete, and increasing rates, including producing relatively high rates on outstanding variable rate demand obligations

- Health and educational institution borrower financial officers could be considering:

  Whether to pursue:

◇ Working/operating capital financings
  - tax-exempt revenue anticipation notes through a NAHEFFA member, or
  - bank-direct lines of credit (which if properly documented with bond counsel assistance may preserve future tax-exempt refinancing eligibility for capital expenditures)

◇ Long-term financings of reimbursable or ongoing capital project costs to enhance liquidity/cash
◇ Refinancing, rate conversion, or purchase in lieu of redemption and alternate financing of impacted outstanding debt, including variable rate demand obligations and commercial paper – for fixed rates or other interest rate types and debt structures to suit institution goals and risk assessments
◇ Pairing of debt listed above with other federal, state and local financial programs and funds
◇ Available-accessible sources of funding and lending relationships
◇ When and how to best position the institution to access the market at the right time in the coming months
◇ Planning for debt covenant compliance and best practices for financial impact reporting
◇ Who to contact for planned financings and timelines for completing those financings

I would encourage health and educational institutions to contact NAHEFFA members and other finance professionals (bankers, financial-municipal advisors, bond counsel and borrower's counsel) early to begin discussions of options even if plans are not anticipated to be finalized or executed until after primary responses to the virus and market stabilization.

Scott Waller is a shareholder and director of the law firm Gilmore & Bell, P.C. His practice focuses on tax-exempt financing transactions for health and educational institutions and other nonprofits. https://www.gilmorebell.com/project/scott-p-waller/. The views expressed in this article are views of Mr. Waller and may not be views of Gilmore & Bell, P.C. generally.

https://www.gilmorebell.com/wp-content/uploads/2020/01/Tax-Exempt-Financings-for-501c3-Organizations-Quick-Sheet-3-5-19.pdf
https://www.gilmorebell.com/frequently-asked-questions-nonprofit-501c3-tax-exempt-bonds/
https://www.gilmorebell.com/wp-content/uploads/2020/01/501c3-Presentation-Basics-Gilmore-Bell-P.C..pdf

<u>10 Facts Not About Bonds Or COVID19</u>

From the pages of www.goodnewsnetwork.org

Not fact checked, because sometimes its better to not know for sure.

1. Adrián López Velarde and Marte Cázarez from Zacatecas, Mexico have developed a fabric made from nopal cactus.
2. Continuing the cactus theme: they are pollinated by bats, at night. Thank you, tequila bats!
3. The University of Sydney is using durian and jackfruit pulp to help charge cell phones quickly.
4. Billy Idol is promoting NYC's efforts to get drivers to turn off cars with the slogan "Billy Never Idles."
5. If you search the web through www.ecosia.org, trees are planted. If you search the web through www.ekoru.org, trash is removed from the ocean.
6. A longtime Minnesota bus driver was given the sendoff he always wanted after he was buried in a casket decorated like a yellow school bus. Who among us would like our caskets wrapped in bond purchase agreements?
7. A violinist played her violin while undergoing brain surgery to let surgeons know they were not damaging her ability to play.
8. A married off-duty cop on a dinner date chased down a burglar who robbed the restaurant.
9. A cable company call center employee diagnosed a customer's stroke during the call and directed emergency services to save him.
10. If you leave gifts for crows, they will leave gifts for you.

Conference Call Bingo

Hi, who just joined?	Can you e-mail that to everyone?	X? Are you there?	Uh, X, you're still sharing!	Guys, I have to jump to another call.
(Sound of someone typing... ...possibly with a hammer)	(Loud painful echo)	(Child noises)	Hi, can you hear me?	No, it's still loading.
Next slide please.	Can everyone go on mute, please?	Sorry, I was talking on mute.	Sorry, go ahead...	Sorry, my dog is really excited about this call.
So (fades out) I can (cuts out) by (unintelligible) ok?	Sorry, I am double booked.	X, your screen just greyed out.	Sorry, you cut out there.	Can we take this offline?
I'll have to get back to you on that.	Can everyone see my screen?	Sorry, I was having connection issues.	Sorry, I think there's a lag.	Sorry, the other call ran over.

SAVE THE DATES

Fall Conference	Spring Conference
September 16-18, 2020 | *Milwaukee, WI*	April 18-20, 2021 | *Washington DC*
[Journeyman Hotel]	*[The Mayflower Hotel]*
Welcome reception to be held the evening of September 16th	Welcome reception to be held the evening of April 18th
Conference sessions held September 17-18th	Conference sessions held April 19-20th

For more information on Conference sponsorship and registration, please click here.

NAHEFFA Focus

The Association promotes the common interests of organizations which have the authority to provide capital financing for not-for-profit healthcare and higher education institutions and facilitates national advocacy, support, networking and education on behalf of its members. NAHEFFA focuses its efforts on issues which directly influence the availability of, or access to, tax-exempt financing for healthcare and higher educational institutions.

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