



Item: VI. AF: A-1

**Wednesday, November 8, 2006**

**SUBJECT: ESTABLISHING INVESTMENT ACCOUNTS WITH THE FLORIDA STATE BOARD OF ADMINISTRATION.**

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**PROPOSED BOARD ACTION**

Request for approval of a resolution establishing investment accounts with the Florida State Board of Administration.

**BACKGROUND INFORMATION**

Currently, Florida Atlantic University invests surplus funds in the Special Purpose Investment Account (SPIA) of the Florida State Treasury. Authorized by F.S. 17.61, SPIA is run like a money market fund with monies immediately available if necessary. These funds are invested in the same portfolio as Treasury funds, so the pool of funds has a stable base of funds not needed for immediate disbursement.

The Florida State Board of Administration, which is a constitutional entity of Florida state government, manages 25 investment funds comprising over \$150 billion in assets under management. Included in their funds are the Florida Retirement Systems plan funds, the Florida Lottery Fund, Scripps Florida Funding Corporation, and the Local Government Pool Fund, which is the largest local government pool in the United States. The SBA pooled funds accounts operate in a fashion comparable to a money market fund with a weighted average maturity not to exceed 90 days.

In an effort to diversify the investment of surplus funds and to have access to higher yield, safe investments, FAU plans to place some funds in excess of current needs in the State Board of Administration Investment Pool. In order for FAU to invest in the State Board of Administration Investment Pool, the SBA requires a formal resolution from the Board of Trustees.

**IMPLEMENTATION PLAN/DATE**

Upon approval of the resolution by the FAU Board of Trustees and the establishment of SBA Investment accounts.

**FISCAL IMPLICATIONS**

Provides opportunities for additional investment earnings on surplus funds that are not immediately needed.

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**Supporting Documentation: BOT Resolution Establishing Investment**

**Presented by: Dr. Kenneth A. Jessell, Vice President for Financial Affairs**

**Phone: 561-297-3266**

## RESOLUTION

**WHEREAS**, Florida Atlantic University from time to time has funds on hand in excess of current needs, and

**WHEREAS**, it is in the best interest of Florida Atlantic University and its inhabitants that funds be invested to return the highest yield consistent with proper safeguards,

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

1. That the University President and / or his/her designee, as legal representative(s) of Florida Atlantic University, are hereby authorized to act as the administrator(s) for funds held at the State Board of Administration.
2. Administrator(s) shall have the authority to establish an account(s) on behalf of Florida Atlantic University, withdraw funds from or transmit funds to said account(s) at the State Board of Administration, establish funds transfer instructions, name designee(s), and initiate changes to this information via the Investment Pool Input Document.
3. That this authorization shall be continuing in nature until revoked by the Florida Atlantic University Board of Trustees.

**THIS RESOLUTION INTRODUCED and ADOPTED** by the Florida Atlantic University Board of Trustees at its regular meeting on November 8, 2006.

SEAL

By: \_\_\_\_\_  
Sherry Plymale, Chair  
Florida Atlantic University Board of Trustees

Attest: \_\_\_\_\_