

STATE BOARD OF EDUCATION

Consent Item

November 15, 2005

SUBJECT: Adoption of a Resolution of the State Board of Education Authorizing the Sale of Not Exceeding \$116,300,000 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Bonds, 2003 Series D

PROPOSED BOARD ACTION

Authorize the sale of the subject Public Education Capital Outlay Bonds by the Division of Bond Finance of the State Board of Administration.

AUTHORITY FOR STATE BOARD ACTION

Article XII, Section 9(a)(2) of the Florida Constitution, as amended.

BACKGROUND INFORMATION

The Division of Bond Finance of the State Board of Administration is requesting the State Board of Education to adopt a resolution authorizing the competitive sale and delivery of not exceeding \$116,300,000 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Bonds, 2003 Series D (the "Bonds").

The Bonds represent the final portion of the Public Education Capital Outlay Bonds, 2003 Series, authorized by the Thirty-second Supplemental Authorizing Resolution adopted by the State Board of Education on August 19, 2003. The Thirty-second Supplemental Authorizing Resolution authorized the issuance of not exceeding \$516,300,000 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Bonds, 2003 Series, of which \$400,000,000 has been issued. The Bonds will be secured primarily by gross receipts taxes and will be additionally secured by the full faith and credit of the State.

The sale resolution also authorizes the Division of Bond Finance of the State Board of Administration to prepare and publish a notice of bond sale for the Bonds (via a competitive sale), and authorizes the preparation and execution of a preliminary and final official statement, and provides certain other details and authorizations in connection with the sale and issuance of the Bonds.

Supporting Documentation Included: Sale Resolution

Facilitator/Presenter: Linda Champion

A RESOLUTION AUTHORIZING THE SALE OF NOT EXCEEDING \$116,300,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY BONDS, 2003 SERIES D.

BE IT RESOLVED BY THE STATE BOARD OF EDUCATION OF FLORIDA, A BODY CORPORATE UNDER SECTION 2 OF ARTICLE IX OF THE FLORIDA CONSTITUTION:

Section 1. That not exceeding \$116,300,000 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Bonds, 2003 Series D (the "Bonds") heretofore authorized by a Master Resolution and a Thirty-second Supplemental Authorizing Resolution (collectively, the "Resolution") adopted by the State Board of Education of Florida (the "State Board") on the 21st day of July, 1992 and the 19th day of August, 2003, respectively, are hereby authorized to be sold at public sale on the date and at a time set out or provided for in the Notice of Bond Sale to be published as provided in this Resolution. The Bonds may be sold at different times in more than one series, or may be combined for sale with other bonds heretofore previously authorized. If sold in more than one series, the authorizations contained in this resolution shall apply to each of such series.

Proposals for purchase of the Bonds shall be received at the office of the Division of Bond Finance, 1801 Hermitage Boulevard, Suite 200, Tallahassee, Florida, or at another location designated in the Notice of Bond Sale, from the time of publication of the Notice of Bond Sale until the time and date of sale specified or provided for in such Notice of Bond Sale.

Section 2. The Division of Bond Finance of the State Board of Administration (the "Division"), as the agent of the State Board, is hereby authorized to sell the Bonds; to publish, at its discretion, the Notice of Bond Sale or a short form thereof in The Bond Buyer, New York,

New York, such publication to be not less than ten days prior to the date of sale; and to publish such Notice of Bond Sale in such other newspapers on such dates as may be deemed appropriate; provided, that if no bids are received at the time and place called or provided for by the Notice of Bond Sale, or if all bids received are rejected, such Bonds may again be offered for sale upon reasonable notice, the timing and manner of which shall be determined by the Director of the Division. Any prior publication of a Notice of Bond Sale, or short form thereof, is hereby ratified.

Section 3. The Director of the Division is hereby authorized to distribute a Notice of Bond Sale and a form of proposal for the sale of the Bonds. The Notice of Bond Sale shall be in such form as shall be determined by the Director of the Division, with the advice of bond counsel, and shall contain such information as required by applicable law. Any prior distribution of a Notice of Bond Sale and form of proposal is hereby ratified.

Section 4. The Director of the Division is hereby authorized to have up to 3,500 copies of the Preliminary Official Statement and 3,500 copies of the Final Official Statement relating to the public offering of the Bonds printed and distributed; to contract with national rating services to rate the Bonds; to conduct information meetings; and, to take such other actions as may be deemed appropriate for the dissemination of information relating to the sale of the Bonds. Any prior printing and distribution of a Preliminary Official Statement is hereby ratified.

Section 5. The Commissioner of Education or the Deputy Commissioner, Finance and Operations of the Department of Education and the Secretary or an Assistant Secretary of the Governing Board of the Division are hereby authorized and empowered to award said Bonds, when offered, on their determination of the best proposal submitted in accordance with the terms

of the Notice of Bond Sale provided for herein. Such award shall be final. The Secretary or other appropriate officer shall report such award to the State Board. In the event of the absence of the Commissioner of Education or the Deputy Commissioner, Finance and Operations at the time bids are received, the Secretary or an Assistant Secretary of the Governing Board of the Division is authorized to act on behalf of the State Board in awarding the Bonds, with the concurrence of a duly designated representative of the State Board.

Section 6. The proper officials of the State Board are hereby authorized to execute the Bonds in the manner provided by the resolution authorizing the issuance of the Bonds, and the Division is hereby authorized to deliver such Bonds to the purchasers thereof upon payment of the purchase price, together with accrued interest to the date of delivery, and to distribute the proceeds of the Bonds as provided by the proceedings authorizing the issuance of the Bonds.

Section 7. The Bonds shall be dated, shall mature in such years and amounts, shall be payable, and shall be subject to redemption as provided by the Notice of Bond Sale and the Official Statement.

Section 8. In the event that market conditions preclude the sale of the principal amount of Bonds authorized to be sold by this resolution, then in such event, in order to sell the Bonds, the Director of the Division is hereby authorized to offer for sale a lesser principal amount than that set forth in this resolution.

Section 9. The appropriate officers and employees of the State Board and of the Division are authorized and empowered, collectively or individually, to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other action on behalf of the

State Board and the Division, in each case as they may deem necessary or desirable, in connection with the execution and delivery of the Bonds.

Section 10. All prior resolutions or parts of resolutions inconsistent with this resolution are hereby amended by this resolution but only to the extent of any such inconsistency.

Section 11. This resolution shall take effect immediately upon its adoption.

Adopted on November 15, 2005.