

STATE BOARD OF EDUCATION
(Consent Item)
March 21, 2006

SUBJECT: A Resolution of the State Board of Education Authorizing the Redemption Prior to Maturity of \$8,675,000 State of Florida, Board of Regents, University of South Florida Housing Facility Revenue Bonds, Series 1996A; Authorizing the Execution of an Escrow Deposit Agreement; Providing for an Effective Date

UNIVERSITY AFFECTED: University of South Florida

PROPOSED BOARD ACTION

Adopt a resolution authorizing the redemption prior to maturity of \$8,675,000 State of Florida, Board of Regents, University of South Florida Housing Facility Revenue Bonds, Series 1996A; authorizing the execution of an escrow deposit agreement; providing for an effective date.

AUTHORITY FOR STATE BOARD OF EDUCATION ACTION

Section 1010.60(1), Florida Statutes, and Article VII, Section 11(d), and Article IX, Section 7(d), Florida Constitution.

BACKGROUND INFORMATION

The University of South Florida (the "University") is proposing the redemption prior to maturity of \$8,675,000 State of Florida, Board of Regents, University of South Florida Housing Facility Revenue Bonds, Series 1996A.

The University wishes to make provision for the payment of the 1996A Bonds maturing in the years 2007 through 2026, currently outstanding in the principal amount of \$8,675,000 (the "Redeemed Bonds"), and for the payment of the 1996A Bonds maturing on July 1, 2006, currently outstanding in the amount of \$245,000, by depositing in an escrow fund held by the State Board of Administration monies and/or securities which will be sufficient to pay the principal of and interest and redemption premium on the Redeemed Bonds as the same are called for redemption and which will be sufficient to pay the principal of and interest on the 1996A Bonds maturing on July 1, 2006. The funds necessary for this purpose were obtained by the University through the issuance of Certificates of Participation of the USF Financing Corporation in May 2005.

Supporting Documentation Included: Requesting Resolution Provided by the
Division of Bond Finance, State Board of
Administration of Florida

Facilitator/Presenter: Linda Champion

A RESOLUTION OF THE STATE BOARD OF EDUCATION AUTHORIZING THE REDEMPTION PRIOR TO MATURITY OF \$8,675,000 STATE OF FLORIDA, BOARD OF REGENTS, UNIVERSITY OF SOUTH FLORIDA HOUSING FACILITY REVENUE BONDS, SERIES 1996A; AUTHORIZING THE EXECUTION OF AN ESCROW DEPOSIT AGREEMENT; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, by resolutions adopted by the Governor and Cabinet as the State Board of Education and as the governing board of the Division of Bond Finance of the Department of General Services (now of the State Board of Administration of Florida) on August 8, 1995, as amended and supplemented on November 7, 1997, on behalf of and for the benefit of the Board of Regents of the Division of Universities of the Department of Education (the "Authorizing Resolution") the Board of Regents has previously issued its State of Florida, Board of Regents, University of South Florida Housing Facility Revenue Bonds, Series 1996A, (the "1996A Bonds"); and

WHEREAS, the State Board of Education has succeeded to the powers, duties and obligations of the Board of Regents;

WHEREAS, in accordance with their redemption provisions, the 1996A Bonds may be redeemed prior to maturity at the option of the Division of Bond Finance of the State Board of Administration of Florida; and

WHEREAS, the University of South Florida (the "University") wishes to make provision for the payment of the 1996A Bonds maturing in the years 2007 through 2026, currently outstanding in the principal amount of \$8,675,000 (the "Redeemed Bonds"), and for the payment of the 1996A Bonds maturing on July 1, 2006, currently outstanding in the amount of \$245,000, by depositing in an escrow fund held by the State Board of Administration monies and/or securities which will be sufficient to pay the principal of and interest and redemption premium on the Redeemed Bonds as the same are called for redemption and which will be sufficient to pay the principal of and interest on the 1996A Bonds maturing on July 1, 2006; and

WHEREAS, the University wishes the Redeemed Bonds to be called for redemption on July 1, 2006; and

NOW, THEREFORE, BE IT RESOLVED, that, subject only to the deposit of sufficient monies and/or securities into the escrow fund, the Redeemed Bonds are hereby irrevocably called for redemption prior to maturity, on July 1, 2006, at the principal amount thereof, together with accrued interest thereon to the date of redemption, plus a redemption premium of % of the principal amount thereof to be redeemed. U.S. Bank Trust National Association, Paying Agent for the Redeemed Bonds, is hereby authorized and directed to pay, upon the surrender thereof, all Redeemed Bonds duly called for redemption in accordance with the authorizing resolution. The appropriate officials of this Board are hereby authorized to execute an Escrow Deposit Agreement and any other documents necessary for the defeasance and redemption of the Redeemed Bonds and the defeasance of the 1996A Bonds maturing on July 1, 2006.

~~This resolution shall become effective immediately upon adoption.~~

~~ADOPTED: March 21, 2006.~~

