

STATE OF FLORIDA
FULL FAITH AND CREDIT
STATE BOARD OF EDUCATION
CAPITAL OUTLAY REFUNDING BONDS

TWENTY-FIRST SUPPLEMENTAL AUTHORIZING RESOLUTION

PROVIDING FOR THE
ISSUANCE OF
2008 SERIES [TO BE DETERMINED]

FEBRUARY 19, 2008

A RESOLUTION SUPPLEMENTING A RESOLUTION ENTITLED "A RESOLUTION AUTHORIZING THE ISSUANCE OF STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION CAPITAL OUTLAY BONDS, FOR THE PURPOSE OF FINANCING AND REFINANCING THE COST OF CAPITAL OUTLAY PROJECTS, PURSUANT TO ARTICLE XII, SECTION 9, SUBSECTION (d) OF THE CONSTITUTION OF FLORIDA, AS AMENDED; PROVIDING THE TERMS AND CONDITIONS UPON WHICH SUCH BONDS MAY BE ISSUED; AND PROVIDING AN EFFECTIVE DATE", AND AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$46,000,000 CAPITAL OUTLAY REFUNDING BONDS, 2008 SERIES [TO BE DETERMINED] FOR THE PURPOSE OF REFUNDING A PORTION OF THE OUTSTANDING STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION CAPITAL OUTLAY BONDS, 1999 SERIES A.

BE IT RESOLVED BY THE STATE BOARD OF EDUCATION OF FLORIDA:

ARTICLE I

AUTHORITY, DEFINITIONS AND FINDINGS

Section 1.01. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act.

Section 1.02. DEFINITIONS. (a) All of the definitions contained in Section 1.02 of the Master Resolution shall be deemed applicable to this Twenty-first Supplemental Authorizing Resolution, except to the extent that the same are inconsistent or in conflict with the definitions set forth below.

(b) The following terms shall have the following meanings in this Twenty-first Supplemental Authorizing Resolution:

"Refunding Bonds" means the not exceeding \$46,000,000, State of Florida, Full Faith and Credit, State Board of

Education Capital Outlay Refunding Bonds, 2008 Series [to be determined issued pursuant to this Resolution.

"Twenty-first Supplemental Authorizing Resolution" or "Resolution" means this Twenty-first Supplemental Authorizing Resolution.

"Escrow Deposit Agreement" means the agreement provided for in Section 4.02(a) of this Resolution.

"Federal Securities" means direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States government and which are not redeemable prior to maturity at the option of the obligor.

"Master Resolution" means the resolution adopted on February 4, 1992, authorizing the issuance of Capital Outlay Bonds.

"Parity Bonds" means the State of Florida, Full Faith and Credit, State Board of Education Capital Outlay Bonds, 1992 Series B (Refunding Bonds), 1995 Series A, 1996 Series A, 1996 Series B (Refunding Bonds), 1997 Series A, 1998 Series A, 1999 Series A, 2000 Series A, 2001 Series A, 2002 Series A, 2002 Series B (Refunding Bonds), 2003 Series A, 2004 Series A, 2005 Series A, and 2006 Series A, all issued pursuant to the Original Resolution.

"Refunded Bonds" means the outstanding State of Florida, Full Faith and Credit, State Board of Education Capital Outlay Bonds, 1999 Series A, dated March 1, 1999, maturing in years to

be determined by the Division, which will be refunded by the Refunding Bonds.

"Retirement Fund" means the State of Florida, Full Faith and Credit, State Board of Education, 2008 Series [to be determined] Capital Outlay Refunding Bonds Retirement Fund created pursuant to Section 4.01(c) hereof.

"Retirement (or Refunding) of the Refunded Bonds" or words of similar import, means the payment of the principal of the Refunded Bonds, redemption premiums, if any, the interest payable on the Refunded Bonds through the date of redemption of each series of the Refunded Bonds, and the fees and expenses in connection with retirement of the Refunded Bonds. Such phrase shall also mean defeasance and release of the pledge of and lien on the Motor Vehicle License Taxes with respect to the Refunded Bonds, upon deposit of an amount of moneys into escrow which shall be invested in Federal Securities, the principal of and income on which will be sufficient for such purposes, as provided herein.

Section 1.03. FINDINGS. It is hereby found, determined and declared by this State Board as follows:

(a) That it is desirable and in the best interests of the citizens of Florida and of the State Board to refund the Refunded Bonds, thereby obtaining a lower net average interest cost rate.

(b) That the Refunded Bonds, or any portion thereof, may be refunded in accordance with Article XII, Section 9(d)(13) of the State Constitution and Section 215.79, Florida Statutes.

(c) That the amount of Refunding Bonds authorized to be issued by this Twenty-first Supplemental Authorizing Resolution, together with the Parity Bonds and the Prior Lien Obligations, does not exceed ninety per centum (90%) of the amount of such Refunding Bonds which the State Board has found and determined, and does hereby by the adoption of this Twenty-first Supplemental Authorizing Resolution find and determine, can be serviced as to both principal and interest from the Motor Vehicle License Taxes accruing to the school districts and community college districts under the provisions of the School Capital Outlay Amendment.

(d) That this State Board is legally authorized to issue the Refunding Bonds authorized by this Twenty-first Supplemental Authorizing Resolution pursuant to the terms, restrictions and conditions contained in the Master Resolution

(e) That the Division of Bond Finance shall serve as the agent of the State Board with respect to the Refunding Bonds, pursuant to the provisions of Section 215.61(4), Florida Statutes.

(f) The State Board has previously found and determined with respect to each series of Refunded Bonds, that the debt service payable with respect to each such series of Refunded

Bonds did not exceed 90% of the amount of revenue accruing to the respective school districts and community college districts benefitted by the issuance of each such series of Refunded Bonds under the School Capital Outlay Amendment. The State Board shall determine the reasonable allocation of the interest savings from the issuance of the Refunding Bonds among the respective school districts and community college districts as required by the School Capital Outlay Amendment.

ARTICLE II

AUTHORIZATION OF REFUNDING

There is hereby authorized the refunding of the Refunded Bonds to be accomplished in the manner hereinafter provided.

ARTICLE III

AUTHORIZATION AND TERMS OF REFUNDING BONDS

SECTION 3.01. AUTHORIZATION OF REFUNDING BONDS. Subject and pursuant to the provisions of this Twenty-first Supplemental Authorizing Resolution, bonds of the State Board are hereby authorized to be issued in the aggregate principal amount of not exceeding \$46,000,000. Such bonds shall each be designated "State of Florida, Full Faith and Credit, State Board of Education Capital Outlay Refunding Bonds, 2008 Series [to be determined]", or by such other designation as the Director of the Division of Bond Finance in his sole discretion may

determine. The Refunding Bonds shall be issued under and secured by the Master Resolution, as supplemented by this Twenty-first Supplemental Authorizing Resolution, and all the terms and provisions contained in the Master Resolution shall be applicable to the Refunding Bonds, except as expressly set forth herein, including the pledge of the Motor Vehicle License Taxes and the pledge of the Full Faith and Credit of the State of Florida to the payment of the principal, premium if any, and interest on the Refunding Bonds.

Section 3.02. DESCRIPTION OF REFUNDING BONDS. The Refunding Bonds shall be issued only as fully registered bonds without coupons in the denominations of \$5,000 or any integral multiple thereof; shall be dated and mature as determined pursuant to a subsequent resolution adopted by the State Board on or prior to the sale of the Refunding Bonds; shall bear interest at not exceeding the maximum lawful rate of interest authorized on the date of sale of the Refunding Bonds, payable semi-annually on July 1 and January 1 of each year; and shall be payable as to both principal and interest, shall be subject to registration, exchange, and transfer, shall be executed and authenticated, shall be subject to prior redemption in the manner, shall be in the form, and shall have such other terms as set forth in Article III of the Master Resolution.

The Refunding Bonds may be sold at one time or in installments from time to time as the State Board may determine.

If issued in installments, each installment shall have an identifying number. The Refunding Bonds may also be sold as a part of the same series of other Capital Outlay Bonds authorized to be issued, whether for new money or refunding purposes. The Refunding Bonds may be made redeemable at the option of the State Board upon such terms and conditions as determined pursuant to a subsequent resolution adopted by the State Board prior to the issuance of the Refunding Bonds.

ARTICLE IV

APPLICATION OF REFUNDING BOND PROCEEDS

SECTION 4.01. APPLICATION OF REFUNDING BOND PROCEEDS.

Upon receipt of the proceeds of the Refunding Bonds, the State Board shall transfer and apply such proceeds as follows:

(a) The amount necessary to pay all costs and expenses of the Division of Bond Finance in connection with the preparation, sale and issuance of the Refunding Bonds, including a reasonable charge for the services of the Division of Bond Finance, shall be transferred to the Division of Bond Finance to be deposited in the Bond Proceeds Trust Fund, subject to disbursement of the funds to the Bond Fee Trust Fund and the Arbitrage Compliance Trust Fund pursuant to written instructions at the delivery of the Refunding Bonds unless such amount shall be provided from another legally available source.

(b) The accrued interest on the Refunding Bonds, plus an amount determined in the sole discretion of the State Board and the Division of Bond Finance as being necessary, together with such accrued interest, to provide for the payment of interest on the Refunding Bonds for a period not to exceed 12 months from the date of issuance of the Refunding Bonds shall be transferred to the Board of Administration and deposited in the Sinking Fund created by the Master Resolution.

(c) All remaining proceeds shall be transferred to the Board of Administration for deposit into a trust fund, hereby created, to be known as the "State of Florida, Full Faith and Credit, State Board of Education, 2008 Series [to be determined] Capital Outlay Refunding Bonds Retirement Fund" (hereinafter referred to as the "Retirement Fund"). Such amount, together with the income on the investment thereof and other available monies(if necessary), shall be sufficient to pay when due the entire principal of the Refunded Bonds, together with interest accrued and to accrue thereon to their respective maturity dates or, if called for redemption prior to maturity, such prior redemption dates and redemption premiums, if any, and the expenses and fees listed in the Escrow Deposit Agreement as hereinafter provided in Section 4.02(a) below. The Director of the Division of Bond Finance is authorized to determine the redemption date of the Refunded Bonds, provide for the publication of any notice of redemption and take any other

actions necessary or desirable to refund and redeem the Refunded Bonds.

SECTION 4.02. RETIREMENT FUND. The moneys deposited by the Board of Administration in the Retirement Fund shall be administered and applied as follows:

(a) The Retirement Fund shall be held in irrevocable trust by the Board of Administration and, except as provided in subsection (b) of this Section 4.02, shall be applied solely to refund the Refunded Bonds and to the payment of the fees and expenses incurred in connection with such refunding. The application of the moneys in the Retirement Fund shall be made for said purposes pursuant to an Escrow Deposit Agreement to be entered into between the State Board and the Board of Administration, in the form normally utilized by the State Board.

(b) Moneys on deposit in the Retirement Fund shall be used to purchase Federal Obligations in accordance with the schedules given in the Escrow Deposit Agreement. The maturing Federal Obligations, the earnings thereon, and the cash on deposit in the Retirement Fund shall be sufficient to accomplish the refunding described above in Section 4.01(c). In the alternative, in the discretion of the Director of the Division of Bond Finance, moneys on deposit in the retirement fund shall be invested in the State Treasury, or in such other legally

authorized investments, until such time as such funds are needed to effect the redemption of the Refunded Bonds.

Section 4.03. REGISTERED OWNERS NOT AFFECTED BY APPLICATION OF REFUNDING BOND PROCEEDS. The proceeds derived from the sale of the Refunding Bonds shall be applied and disbursed pursuant to the provisions of the Act and this Twenty-first Supplemental Authorizing Resolution. The Registered Owners of Refunding Bonds shall not have any responsibility whatsoever for the application or use of any of the proceeds derived from the sale of the Refunding Bonds, and the rights and remedies of the Registered Owners of Refunding Bonds and their right to payment, pursuant to the School Capital Outlay Amendment and this Twenty-first Supplemental Authorizing Resolution, shall not be affected or impaired by the application or use of such proceeds. Upon the issuance of the Refunding Bonds authorized by this Twenty-first Supplemental Authorizing Resolution, all the covenants and agreements between the State Board and the Registered Owners of Refunding Bonds contained in this Twenty-first Supplemental Authorizing Resolution shall be valid and binding covenants and agreements between the State Board and the Registered Owners of Refunding Bonds without regard to the application of the proceeds of the Refunding Bonds.

ARTICLE V

APPLICATION OF PROVISIONS OF MASTER RESOLUTION
AND SECURITY FOR THE REFUNDING BONDS

The Refunding Bonds herein authorized shall for all purposes (except as herein expressly changed) be considered to be Additional Parity Bonds issued under the authority of the Master Resolution and shall be entitled to all the protection and security provided therein for the Parity Bonds and shall be in all respects entitled to the same security, rights, and privileges enjoyed by the Parity Bonds.

The covenants and pledges contained in the Master Resolution (to the extent the same are not inconsistent with the provisions hereof) shall be applicable to the Refunding Bonds herein authorized in like manner as applicable to the Parity Bonds, and the Funds and Accounts established in the Master Resolution shall be continued and maintained as long as any of the Refunding Bonds and interest thereon issued hereunder are outstanding and unpaid. The principal of and interest on the Refunding Bonds herein authorized shall be payable from the Sinking Fund heretofore established by the Master Resolution on a parity with the Parity Bonds, and payment shall be made into such Sinking Fund from the Capital Outlay Fund in amounts fully sufficient to pay the principal of and interest on the Refunding Bonds herein authorized as such principal and interest become due.

ARTICLE VI

MISCELLANEOUS

Section 6.01. SEVERABILITY OF PROVISIONS. If any one or more of the covenants, agreements or provisions of this Twenty-first Supplemental Authorizing Resolution shall be held contrary to any express provision of law, or contrary to the policy of express law though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other covenants, agreements or provisions of this Twenty-first Supplemental Authorizing Resolution or of the Refunding Bonds.

Section 6.02. CONTINUING DISCLOSURE. (A) In order to comply with Rule 15c2-12 of the Securities and Exchange Commission, the State Board hereby agrees to provide or cause to be provided such information as may be required, from time to time, under such rule.

(B) The Commissioner or Deputy Commissioner of Education, in conjunction with the appropriate officer of the Division, is authorized and directed to execute and deliver any documents or agreements which are necessary to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission.

Section 6.03 REPEAL OF INCONSISTENT RESOLUTIONS. All resolutions and parts of resolutions heretofore adopted

pertaining to the subject matter of this Twenty-first Supplemental Authorizing Resolution, to the extent that they are inconsistent with this Twenty-first Supplemental Authorizing Resolution, are hereby repealed, revoked, and rescinded.

Section 6.04. TIME OF TAKING EFFECT. This Twenty-first Supplemental Authorizing Resolution shall take effect immediately upon its adoption.

ADOPTED ON February 19, 2008.