

# Utah Money Management Council

350 N STATE STREET, SUITE 180  
PO BOX 142315  
SALT LAKE CITY, UTAH 84114-2315  
TEL: (801) 538-1883  
FAX: (801) 538-1465



## A G E N D A

Money Management Council

Thursday March 21, 2024

Anchor location: 350 North State Street, Suite 170

Teleconference Via Google Meets

3:00 p.m.

1. Introduce new Council member
2. Approval of the minutes of the December 21, 2023 meeting
3. Review and accept monthly and quarterly reports from:
  - A) Division of Securities
  - B) Department of Financial Institutions
  - C) Deposit and Investment report update
4. Five year review for Council Rules 19, 20, 21
5. Other business as needed
6. Schedule next meeting and adjourn

\*\*Note: Council members may be in attendance via Google meets

At:

[meet.google.com/miz-opwk-fvg](https://meet.google.com/miz-opwk-fvg)

Join by phone

(US) +1 402-792-8273 PIN: 570 234 724#

The public is welcome to attend either electronically or at the anchor location

K. Wayne Cushing, Chair  
Salt Lake County  
2001 South State Street N1-200  
Salt Lake City, Utah 84114  
Phone (385)-468-8305  
kwcushing@slco.org

Corrie Forsling  
Summit County  
60 North Main Street  
Coalville, Utah 84017  
Phone (435)-336-3267  
cforsling@summitcounty.org

Scott Burnett, Vice Chair  
Zions Capital Advisors  
One S Main, 12<sup>th</sup> Floor  
Salt Lake City, UT 84133  
Phone (801)-844-7740  
scott.burnett@zionsbancorp.com

Mark W. Packard  
Central Bank  
75 N University Ave.  
Provo UT 84601  
801-655-2153  
packardm@cbutah.com

**STATE MONEY MANAGEMENT COUNCIL-MINUTES**  
**THURSDAY DECEMBER 21, 2023**

The regular meeting of the State Money Management Council was held via teleconference and with an anchor location at 3:00 p.m., Thursday December 21, 2023. In attendance via Google Meets and at the State Capitol Building, 350 North State Street, Suite 170 were:

Wayne Cushing, Chair  
Scott Burnett, Vice Chair  
Mark Packard, Council Member  
Ann Pedroza, Staff  
Kirt Slaugh, Deputy State Treasurer  
Brooke McCarrick, Asst. Attorney General  
Riley Bergstedt, Department of Financial Institutions  
Michele Black, Securities Division

Members not in attendance:  
Corrie Forsling, Council Member

Visitors:  
Greg Ball, Meeder Public Funds Inc

Visitors:

**Approval of the Minutes of the September 21, 2023**

Mr. Burnett motioned and Mr. Packard seconded the approval of the minutes of the September 21, 2023 meeting and it was approved unanimously by all Council members in attendance.

**Monthly and Quarterly Reports**

**Securities Division:**

Ms. Black provided the new reports for the Certified Investment Advisers and Certified Broker Dealers. She briefly reviewed the reports with the Council and noted that on the Certified Dealers list a new firm and two agents from that firm were added, and one agent with an existing firm has been added. She then noted that on Certified Investment Adviser list one agent with FHN Financial is being deleted and that same agent is being added to Meeder Public Funds.

Ms. Black then informed the Council that three other agents with FHN Financial did not get their application in on time to be moved to Meeder Public Funds, and asked the Council if they wanted to consider having an additional meeting in January to approve them. Council discussed this briefly with Mr. Ball of Meeder Public Funds and felt that the firm had enough coverage with Mr. Ball to have them wait to be added in the March meeting. Council reviewed the lists briefly.

**Department of Financial Institutions:**

Mr. Bergstedt reviewed the quarterly allotment changes for the quarter beginning January 1, 2024 signed by Commissioner Rudé. Mr. Bergstedt noted that the only change of significance was the significant increase in allotment for BMO Harris DBA Bank of the West. He noted this was due to the completion of the merger and all deposits are now included in the formula. Council discussed this briefly.

Mr. Bergstedt then informed the Council that the reports for September, October and November are in the packet and he then reviewed the November month end report. He informed the Council that Education First Credit Union was still high in usage and he continues to monitor them. Council reviewed the reports briefly.

**Deposit and investment report update:**

Ms. Pedroza reviewed the unfiled Deposit and Investment reports with the Council and noted there were twenty seven June 2023 reports that were delinquent and sixty total reports not filed. Council discussed this briefly.

**Acceptance of Reports:**

It was motioned by Mr. Burnett and seconded by Mr. Packard to accept the reports above. The motion was unanimously approved by all Council members in attendance.

**Other Business**

Mr. Cushing asked Mr. Slaugh if he knew of any legislation for this upcoming session that would affect the Act. Mr. Slaugh noted that they are looking at investing the state's reserve funds differently than with the PTIF and that would require an exclusion from the Money Management Act under §51-7-2.

Council discussed briefly the appointment of the new Council member with Mr. Slaugh noting that the appointment was late due to the issues with political affiliation.

**Schedule Next Meeting**

The Council then scheduled the next quarterly meeting for March 21, 2024 at 3:00 p.m. With no other business before the Council, they adjourned at 3:17 p.m.



**UTAH DEPARTMENT  
OF COMMERCE**  
**Division of Securities**

SPENCER J. COX  
*Governor*

DEIDRE M. HENDERSON  
*Lieutenant Governor*

MARGARET W. BUSSE  
*Executive Director*

JASON STERZER  
*Division Director*

**TO:** Money Management Council  
**FROM:** Michele Black, Division of Securities  
**RE:** Deletions to the Certified Investment Adviser List  
**DATE:** March 21, 2024

The following agents and firms have been deleted to the existing list for conducting investment transactions with public treasures pursuant to rule 15 of the State Money Management Council.

**PFM Asset Management LLC**

Investment Adviser Representatives: Christopher Blackwood  
Matt Smith  
Benjamin Sapora

**FHN Financial Main Street Advisors, LLC**

Investment Adviser Representatives: Tonya L. Dazzio  
Riley J. Littlefield  
Richard L. Phillips

**Division of Securities**

Heber M. Wells Building • 160 East 300 South • P.O. Box 146760, Salt Lake City, UT 84114-6741  
[www.securities.utah.gov](http://www.securities.utah.gov) • telephone (801) 530-6600 • fax (801) 530-6980



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*Executive Director*

JASON STERZER  
*Division Director*

**TO:** Money Management Council  
**FROM:** Michele Black, Division of Securities  
**RE:** Additions to the Certified Investment Adviser List  
**DATE:** **March 21, 2024**

The following agents and firms have been added to the existing list for conducting investment transactions with public treasures pursuant to rule 15 of the State Money Management Council.

**Meeder Public Funds, Inc.**

**Investment Adviser Representatives:**

Tonya L. Dazzio  
Riley J. Littlefield  
Richard L. Phillips



### **Meeder Public Funds, Inc. cont.**

## Investment Adviser

Representative: Riley J. Littlefield

Richard L. Phillips  
Benjamin Sehy

Nick Vaccari

10655 Park Run Dr. #120  
Las Vegas, NV 89144  
“  
222 South Main St. 5<sup>th</sup> Fl.  
Salt Lake City, UT 84101  
6125 Memorial Drive  
Dublin, OH 43017

Moreton Asset Management, LLC

## Investment Adviser

Representatives: Jordan C. Hansen

Andrew J. Robbins  
Daniel V. Rusk  
Jason M. Williams

40 North 100 East  
Farmington, UT 84025

## Peterson Wealth Services, Inc.

## Investment Adviser

Representatives:      **Billy C. Peterson**

Cade S. Peterson  
Shaun R. Peterson  
Margaret Pigg

1523 East Skyline Drive, Suite C  
So. Ogden, UT 84405

PFM Asset Management LLC

## Investment Adviser

Representatives: Joan Evans

Lukas Schneider

Stefani VonHoltum-Niesent

1720 Carey Avenue, Suite 520  
Cheyenne, WY 82001  
1201 S. Alma School Road  
Mail Code: LM-AZ-WADS  
Mesa, AZ 85210  
950 17<sup>th</sup> Street  
Mail Code: DN-CO-T8  
Denver, CO 80202

Soltis Investment Advisors, LLC

## Investment Adviser

Representatives: Kim D. Anderson

Cabe Atkinson

20 North Main Street, Suite 400  
St. George, UT 84770  
915 South 500 East, #110  
American Fork, UT 84003





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**Division of Securities**

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*Division Director*

TO: **Money Management Council**  
FROM: **Michele Black, Division of Securities**  
RE: **Current List Certified Dealer**  
DATE: **March 21, 2024**

The following is the list of Certified Dealers and Agent(s) effective March 21, 2024.

**ASL Capital Markets Inc.**

Agents: Jim Levenson  
  
Michael Weir

600 Summer Street, Suite 402  
Stamford, CT 06901

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**Barclays Capital Inc.**

Agents: Peter Bjurstein

Four Embarcadero Center  
San Francisco, CA 94111

**Cantor Fitzgerald & Co.**

Agents: Ron Jacoby

730 Arizona Avenue Suite 214  
Santa Monica, CA 90401

**D.A. Davidson & Co.**

Agents: Marcus Nield

251 S. 1350 W.  
Farmington, UT 84025

**Daiwa Capital Markets America**

Agents: John Lomond  
  
Andres Tamayo

555 California Street Ste. 4325  
San Francisco, CA 94104-1503

" " "

Division of Securities

Heber M. Wells Building • 160 East 300 South • P.O. Box 146760, Salt Lake City, UT 84114-6741  
[www.securities.utah.gov](http://www.securities.utah.gov) • telephone (801) 530-6600 • fax (801) 530-6980

**InspereX**

Agents: William H. Money III

10445 S. Wasatch Blvd.  
Sandy, UT 84092

**Moreton Capital Markets, LLC**

Agents: Benjamin Byington

101 South 200 East, Suite 300  
Salt Lake City, UT 84111

Larry Lundberg  
Cory McKendrick  
Ryan Stoker

" " "  
" " "  
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**Raymond James & Associates, Inc.**

Agents: Amy Iannella

4643 S. Ulster Street, Suite 1350  
Denver, CO 80237  
1676 N. Sonoran Drive  
St. George, UT 84770

Mark McKinnon

**RBC Capital Markets, LLC**

Agents: Eric Ajlouny

1331 North California Boulevard, Suite 650  
Walnut Creek, CA 94596

William L. Burton

401 Union Street, Suite 3600  
Seattle, WA 98101

Scott Chappell

1260 Stringham Avenue Suite 300  
Salt Lake City, UT 84106

John Hallgren

" " "

Quinn Jensen

" " "

Thomas C. Kelly

1 Jericho Plaza Suite 106

Jericho, NY 11753

John Menefee

1133 NW Wall Street Building 2

Bend, OR 97703-1987

Michael Roskopf

777 South Figueroa Street, Suite 850

Los Angeles, CA 90017

Paul Schulte

1331 North California Boulevard Suite 650  
Walnut Creek, CA 94596

**Stifel, Nicolaus & Company, Incorporated**

Agents: Dewey Anderson

800 Shades Creek Parkway

Birmingham, AL 35209

Irving Vincent Boberski III

200 W. Madison St., Ste 1960

Chicago, IL 60606

John Crandall

15 West South Temple Suite 1090

Salt Lake City, UT 84101

Jon Walker

677 Washington Blvd, 9<sup>th</sup> Fl.

Stamford, CT 06901

**StoneX Financial Inc.**

Agents:            Alexandra Selby  
                      Andrew Kaplan

230 Park Ave. 10<sup>th</sup> Fl.  
New York, NY 10169  
1441 W. Ute Blvd. Ste 280  
Park City, UT 84098

**Wells Fargo Securities LLC**

Agents:            Scott Andrews  
                      Michael Deep  
                      Evan Faucher  
                      Brandon Hodge  
                      Gregory McMahon  
                      Jonathan Stutts  
                      Sarah Taylor  
                      David Vlacich

550 South Tryon Street 4<sup>th</sup> Fl.  
Charlotte, NC 28202  
550 South Tryon Street, 4<sup>th</sup> Fl.  
Charlotte, NC 28202  
550 South Tryon Street 4<sup>th</sup> Fl.  
Charlotte, NC 28202  
999 3<sup>rd</sup> Avenue 41<sup>st</sup> Floor  
Seattle, WA 98104-4019  
125 High Street 14<sup>th</sup> Fl.  
Boston, MA 02110-2704  
550 South Tryon Street 4<sup>th</sup> Fl.  
Charlotte, NC 28202  
999 3<sup>rd</sup> Avenue 41<sup>st</sup> Floor  
Seattle, WA 98104-4019  
125 High Street 14<sup>th</sup> Fl.  
Boston, MA 02110-2704

**Zions Bank Capital Markets**

Agents:            Jacqueline Davies  
                      Jared Jess  
                      Brad Mayeda  
                      Daniel Ricks  
                      Ty Roberts  
                      Jocelyn Sudweeks

One South Main Street, 17<sup>th</sup> Floor  
Salt Lake City, UT 84133

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**Zions Direct, Inc.**

Agents:            Jacqueline Davies  
                      Jared Jess  
                      Brad Mayeda  
                      Daniel Ricks  
                      Ty Roberts  
                      Jocelyn Sudweeks

One South Main Street, 17<sup>th</sup> Floor  
Salt Lake City, UT 84133

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# STATE OF UTAH

## DEPARTMENT OF FINANCIAL INSTITUTIONS

**Spencer J. Cox**  
*Governor*

**Deidre M. Henderson**  
*Lieutenant Governor*

**Darryle P. Rude**  
*Commissioner*

**R. Paul Allred**  
*Deputy Commissioner*

**Shaun E. Berrett**  
*Chief Examiner*

**Michael L. Jones**  
*Finance Director*

Money Management Council  
315 N. State Capitol Building, Suite 180  
Salt Lake City, Utah 84114

Dear Council Members:

Pursuant to Section 51-7-3(28) Utah Code Annotated and Money Management Council Rules R628-11 and R628-12, I, Darryle P. Rude, Commissioner of Financial Institutions, do hereby certify the following depository institutions as "qualified depositories" and eligible to receive and hold public funds in excess of federal insurance limits in the following maximum amounts:

### PUBLIC FUNDS ALLOTMENTS

for the three-month period beginning April 1, 2024

*(Dollars in Thousands)*

<b><u>BANKS</u></b>		<b><u>Current</u></b>	<b><u>Previous</u></b>
Bank of Utah.....	\$ 568,518	\$ 553,724	
BMO Harris Bank NA dba Bank of the West.....	432,634	475,146	
Brighton Bank.....	51,234	51,150	
Cache Valley Bank.....	479,253	471,321	
Capital Community Bank.....	190,218	177,438	
Central Bank.....	397,154	388,169	
Continental Bank.....	40,545	46,004	
D. L. Evans Bank.....	12,094	12,100	
First Utah Bank.....	104,720	103,019	
Fortis Bank.....	8,778	6,670	
Glacier Bank dba First Community Bank, Alta Bank.....	634,857	616,316	
Grand Valley Bank.....	58,751	57,476	
Green Dot Bank dba Bonneville Bank.....	634,782	613,203	
Holladay Bank & Trust.....	16,697	16,535	
Home Savings Bank.....	28,431	28,100	
JPMorgan Chase Bank, National Association.....	3,695,227	4,124,521	

## PUBLIC FUNDS ALLOTMENTS

Page 2 of 2

	<u>Current</u>	<u>Previous</u>
KeyBank National Association.....	\$ 602,392	\$ 612,840
NBH Bank.....	92,065	92,279
Prime Alliance Bank.....	115,868	109,293
State Bank of Southern Utah.....	377,369	367,257
Sunwest Bank.....	417,947	NA
U.S. Bank National Association.....	561,075	554,091
Utah Independent Bank.....	29,319	31,398
Washington Federal Bank.....	57,989	79,894
Wells Fargo Bank, National Association.....	1,937,093	2,109,242
Zions Bancorporation, N.A.....	10,953,944	10,863,219

### INDUSTRIAL BANKS

WebBank.....	\$ 502,250	\$ 471,122
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### CREDIT UNIONS

Ascent.....	\$ 22,595	\$ 22,574
America First.....	3,146,921	3,041,886
Chartway.....	75,470	77,494
Cyprus.....	279,351	280,704
Desert Rivers.....	9,383	9,386
Desertview.....	8,057	8,016
Eastern Utah Community.....	35,816	34,910
Education First.....	4,889	4,803
Goldenwest.....	577,644	562,031
Granite.....	125,276	126,642
Jordan.....	32,776	33,610
Kings Peak.....	6,044	5,799
Mountain America.....	2,543,441	2,491,892
Nebo.....	23,020	23,011
San Juan.....	3,703	3,730
Utah Community.....	421,700	410,126
Utah First.....	137,285	132,611
Utah Heritage.....	21,351	20,510
Wasatch Peaks.....	70,197	69,224

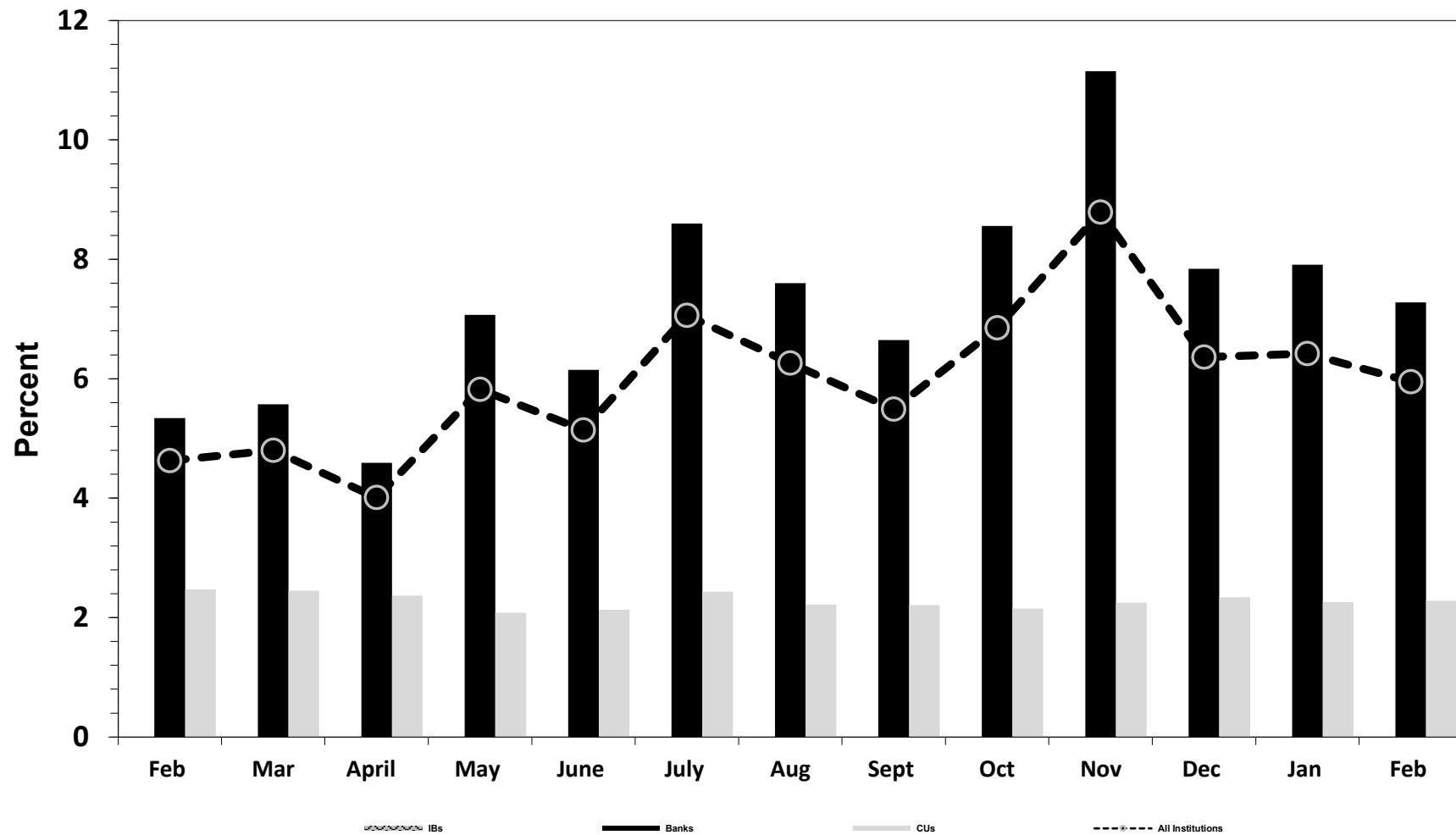


Darryle P. Rude

March 19th, 2024

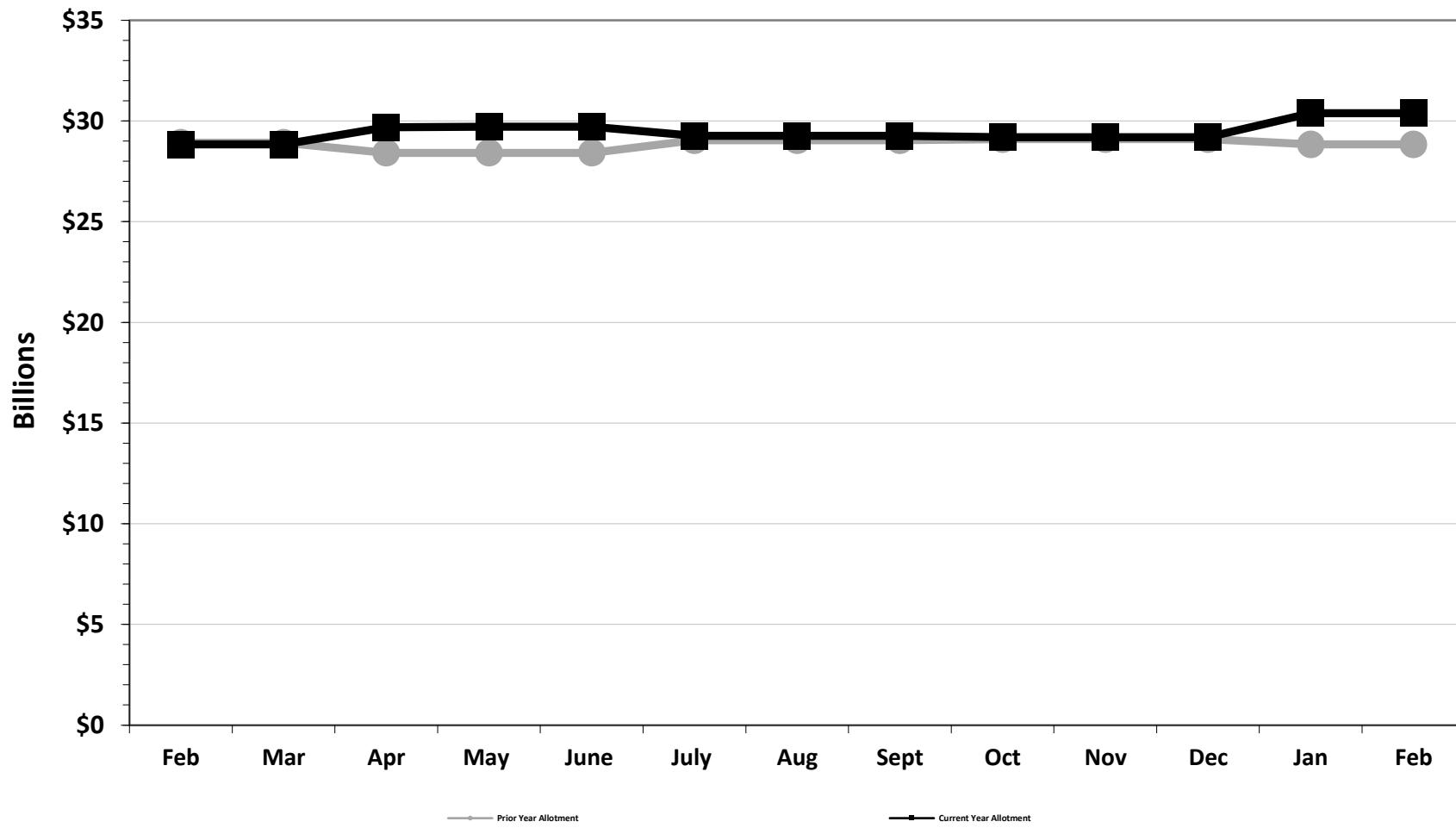
# PUBLIC FUNDS

Percentage of Allotment Used



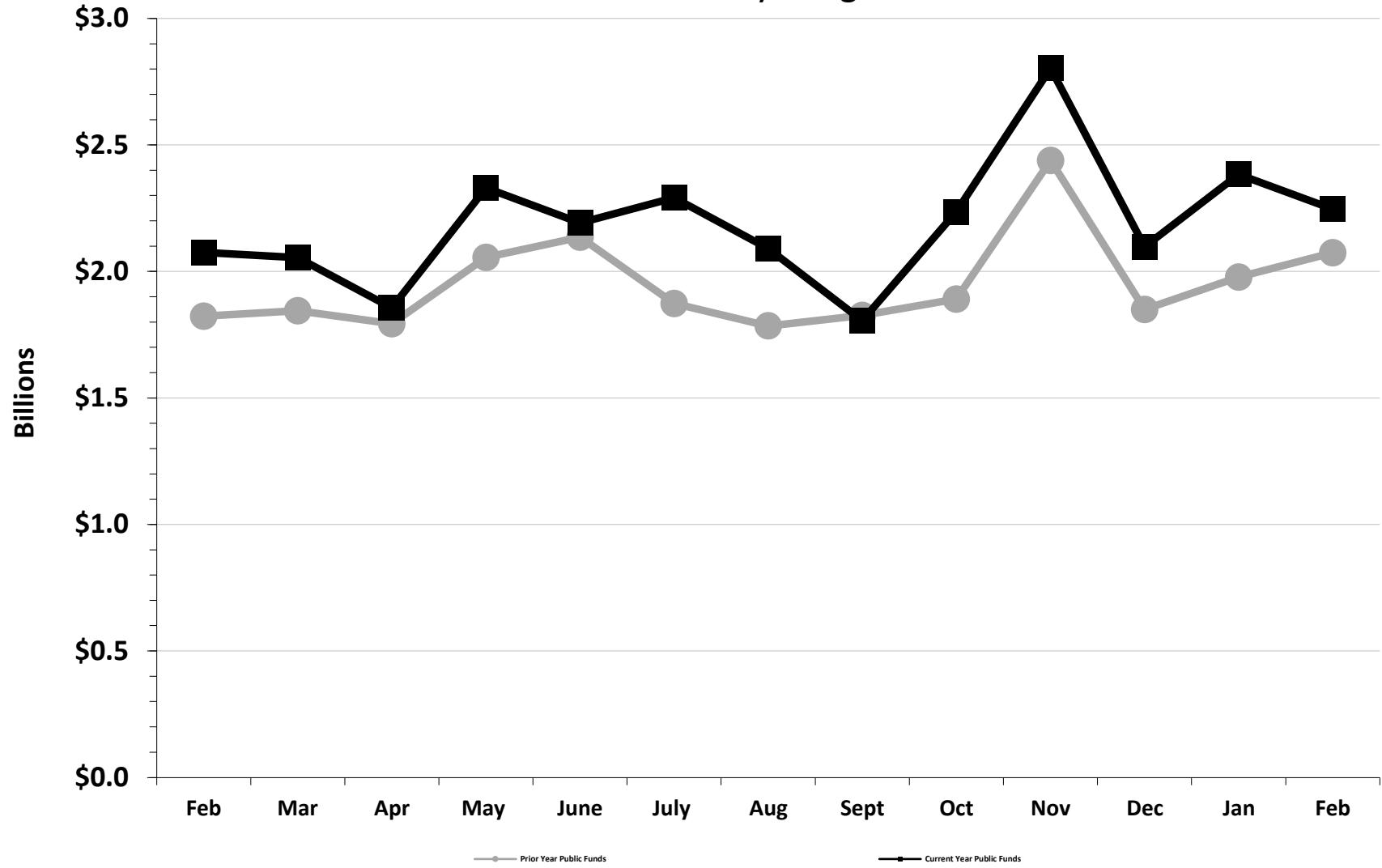
# PUBLIC FUNDS

Approved Monthly Allotments in Dollars



# PUBLIC FUNDS

Actual Monthly Usage in Dollars



Late D&I reports as of 3/21/24

Entity Name	Entity Record Type	Report Date
<b>Status: Not Submitted (54 records)</b>		
West Millard Mosquito Abatement District	Local and Special Service District	D&I December 2022
Henrieville Cemetery Maintenance District	Local and Special Service District	D&I December 2022
North Central Fire Special Service District	Local and Special Service District	D&I December 2022
Church Wells Special Service District	Local and Special Service District	D&I December 2022
Levan Town	Town	D&I December 2022
Plymouth Town	Town	D&I December 2022
Hideout Town	Town	D&I December 2022
Leamington Town	Town	D&I December 2022
<b>Total - 8</b>		
Layton City	City	D&I December 2023
Roosevelt City	City	D&I December 2023
Erda City	City	D&I December 2023
Upper Sevier Conservation District	Conservation District	D&I December 2023
Canyonlands Conservation District	Conservation District	D&I December 2023
Morgan Conservation District	Conservation District	D&I December 2023
Juab County	County	D&I December 2023
St. George Housing Authority	Housing	D&I December 2023
Utah Lake Authority	Independent/Quasi State Entity	D&I December 2023
Heber Valley Historic Railroad Authority	Independent/Quasi State Entity	D&I December 2023
Unified Police Department	Interlocal	D&I December 2023
Jordan River Commission	Interlocal	D&I December 2023
Juab County Special Service District 2	Local and Special Service District	D&I December 2023
Sanpete County Water Conservancy District	Local and Special Service District	D&I December 2023
SL Valley Law Enforce. Service Area	Local and Special Service District	D&I December 2023
Ben Lomond Cemetery Maintenance District	Local and Special Service District	D&I December 2023
Hooper Water Improvement District	Local and Special Service District	D&I December 2023
Cache County Drainage District 6	Local and Special Service District	D&I December 2023
Diamond Valley Fire Special Service District	Local and Special Service District	D&I December 2023
San Juan Transportation District	Local and Special Service District	D&I December 2023
Tooele County Recreation SSD	Local and Special Service District	D&I December 2023
Hyde Park Cemetery Maintenance District	Local and Special Service District	D&I December 2023
Duchesne County Special Service District 3	Local and Special Service District	D&I December 2023
Axtell Community Special Service District	Local and Special Service District	D&I December 2023
Grouse Creek Cemetery Dist	Local and Special Service District	D&I December 2023
Central Box Elder Fire SS Dist	Local and Special Service District	D&I December 2023
Wayne County Water Conservancy District	Local and Special Service District	D&I December 2023
Charleston Water Conservancy District	Local and Special Service District	D&I December 2023
Aurora Drainage District 4	Local and Special Service District	D&I December 2023
Carbon School District	School District or Charter School	D&I December 2023
Vista at Entrada School	School District or Charter School	D&I December 2023
Dept of Human Services	State of Utah (agencies.)	D&I December 2023

Elwood Town	Town	D&I December 2023
Alton Town	Town	D&I December 2023
Manila Town	Town	D&I December 2023
<b>Total - 3</b>		
Tabby Valley Parks and Recreation SSD	Local and Special Service District	D&I June 2022
Amalga Town	Town	D&I June 2022
<b>Total - 2</b>		
Piute County Conservation District	Conservation District	D&I June 2023
Lehi Metropolitan Water District	Local and Special Service District	D&I June 2023
Daggett Water District	Local and Special Service District	D&I June 2023
Ogden Valley Transmission Recreation SSD	Local and Special Service District	D&I June 2023
Benjamin Drainage District	Local and Special Service District	D&I June 2023
Belmont Drainage District	Local and Special Service District	D&I June 2023
Echo Creek Ranches Special Service District	Local and Special Service District	D&I June 2023
High Valley Transit District	Local and Special Service District	D&I June 2023
Glendale Town	Town	D&I June 2023
<b>Total - 9</b>		
<b>Status: On Hold (17 records)</b>		
Summit Special Service District	Local and Special Service District	D&I December 2018
Eden Park Service District	Local and Special Service District	D&I December 2018
<b>Total - 2</b>		<b>Total - 3</b>
Eden Park Service District	Local and Special Service District	D&I December 2019
Wilson Arch Wtr & Swr Dist	Local and Special Service District	D&I December 2019
Beaver Dam Village Special Service District	Local and Special Service District	D&I December 2019
<b>Total - 3</b>		
Arches Special Service District	Local and Special Service District	D&I December 2020
<b>Total - 1</b>		
Thompson Special Service District	Local and Special Service District	D&I December 2021
Uintah Transportation SS Dist	Local and Special Service District	D&I December 2021
Grand County Transportation SS Dist	Local and Special Service District	D&I December 2021
<b>Total -03</b>		
Alpine Conservation District	Conservation District	D&I June 2018
Timp-Nebo Conservation District	Conservation District	D&I June 2018
<b>Total - 2</b>		
North Sanpete Ambulance Service	Interlocal	D&I June 2019
Cannonville Town	Town	D&I June 2019
Eden Park Service District	Local and Special Service District	D&I June 2019
<b>Total - 3</b>		
Elwood Drainage District	Local and Special Service District	D&I June 2020
<b>Total - 1</b>		
Utah State Railroad Museum Authority	Independent/Quasi State Entity	D&I June 2022
Box Elder County Service Area 2	Local and Special Service District	D&I June 2022
<b>Total - 2</b>		
<b>Grand Totals (71 records)</b>		

**R628. Money Management Council, Administration.**

**R628-19. Requirements for the Use of Investment Advisers by Public Treasurers.**

**R628-19-1. Authority.**

This rule is issued pursuant to Section 51-7-18(2) (b) .

**R628-19-2. Scope.**

This rule establishes basic requirements for public treasurers when using investment advisers.

**R628-19-3. Purpose.**

The purpose of this rule is to outline requirements for public treasurers who are considering utilizing investment advisers to invest public funds.

**R628-19-4. Definitions.**

(1) The following terms are defined in Section 51-7-3 of the Act, and when used in this rule, have the same meaning as in the Act:

- (a) "Certified investment adviser";
- (b) "Council":
- (c) "Director"; and
- (d) "Investment adviser representative".

(2) For purposes of this rule:

- (a) "Investment adviser" means either a federal covered adviser as defined in Section 61-1-13 or an investment adviser as defined in Section 61-1-13.

**R628-19-5. General Rule.**

1. A public treasurer may use an investment adviser to conduct investment transactions on behalf of the public treasurer as permitted by statute, rules of the Council, and local ordinance or policy.

2. A public treasurer using an investment adviser to conduct investment transactions on behalf of the public treasurer is responsible for full compliance with the Act and rules of the Council.

3. Due diligence in the selection of an investment adviser and in monitoring compliance with the Act and Rules of the Council and the performance of investment advisers is the responsibility of the public treasurer. (The Council advises public treasurers that reliance on certification by the Director may not be sufficient to fully satisfy prudent and reasonable due diligence.)

4. The public treasurer shall assure compliance with the following minimum standards:

- (a) A public treasurer may use a Certified investment adviser properly designated pursuant to R628-15.
- (b) A public treasurer's use of a Certified investment adviser shall be governed by a written investment advisory services agreement between the public treasurer and the Certified investment adviser. Terms of the agreement shall conform to the requirements of R628-15, and shall be adopted pursuant to all procurement requirements of statute and local ordinance or policy.
- (c) Prior to entering into an investment advisory services agreement with a Certified investment adviser, the public treasurer shall request and the investment adviser shall furnish, the SEC Form ADV Part II for review and consideration by the public treasurer.
- (d) All investment transactions and activities of the public treasurer and the Certified investment adviser must be in full compliance with all aspects of the Money Management Act and Rules of the Council particularly those requirements governing criteria for investments, safekeeping, and purchasing only the types of securities listed in 51-7-11., 51-7-12. and 51-7-13. as applicable.
- (e) Prior to entering into an investment advisory services agreement with a Certified investment adviser, the public treasurer shall request and the investment adviser shall furnish a clear and concise explanation of the investment adviser's program, objectives, management approach and strategies used to add value to the portfolio and return, including the methods and securities to be employed.

5. If selection of a Certified investment adviser to provide investment advisory services to a public treasurer is based upon the investment adviser's representation of special skills or expertise, the investment advisory services agreement shall require the Certified investment adviser to act with the degree of care, skill, prudence, and diligence that a person having special skills or expertise acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

6. The public treasurer is advised to review and consider standards of practice recommended by other sources, such as the Government Finance Officers Association, in the selection and management of investment adviser services.

#### **R628-19-6. Reporting to the Council.**

When a public treasurer has contracted with an investment adviser for the management of public funds, the public treasurer shall provide the detail of those investments to the Council, pursuant to Section 51-7-18.2.

**KEY: securities, investment advisers, public funds**

**Date of Enactment or Last Substantive Amendment: May 5, 2005**

**Notice of Continuation: April 12, 2019**

**Authorizing, and Implemented or Interpreted Law: 51-7-18(2) (b); 61-1-13**

**R628. Money Management Council, Administration.**

**R628-20. Foreign Deposits for Higher Education Institutions.**

**R628-20-1. Purpose.**

To provide guidelines to higher education institutions when depositing funds in foreign countries.

**R628-20-2. Authority.**

This rule is issued pursuant to Section 51-7-17(4) (a) and Section 53B-7-601.

**R628-20-3. Scope.**

This rule relates to funds of higher education institutions that are either required by law of a foreign country to be deposited in the foreign country or are required by the terms of a grant, gift, or contract to be deposited in the foreign country.

**R628-20-4. Definitions.**

(1) The following terms are defined in Section 51-7-3 of the Act and when used in this rule have the same meaning as in the Act:

- (a) "Council";
- (b) "Nationally Recognized Statistical Rating Organization" or "NRSRO".

(2) For purposes of this rule "FDI" means foreign depository institution as defined in Section 7-1-103 of the Utah Code.

**R628-20-5. Requirements for Deposits.**

(1) To be qualified for deposit under Section 53B-7-60 the FDI shall:

- (a) be insured or otherwise have a similar protection if that country does not technically provide insurance;
- (b) be rated "A" or better by one NRSRO; and
- (c) be domiciled in a country in which the sovereign debt rating is "A" or better by the NRSRO.

**R628-20-6. Prohibited Deposits.**

(1) Use of FDIs in any country or territory described below is prohibited.

- (a) Countries subject to sanctions by the Office of Foreign Assets Control (OFAC); and

- (b) Countries and territories on the Financial Action Task Force's (FATF) list of high risk and non-cooperative jurisdictions.
- (2) Financial Crimes Enforcement Network (FinCEN) advisories must be reviewed by the higher education institution to ensure that potential anti-money laundering and counter-terrorist financing risks associated with any country are assessed, identified and avoided before establishing deposits in the FDI.
- (3) The FDI may not be listed on the U.S. Treasury's Specially Designated Nationals (SDN) list.

#### **R628-20-7. Approval by the Council.**

- (1) The Council must approve the FDI.
- (2) Prior to approval by the Council, the higher education institution must present to the Council the reasoning and purpose for the use of a FDI.
- (3) Upon review of such reasoning and purpose, the Council will decide whether to give final approval to allow funds to be deposited in the FDI.
- (4) The Council may approve an FDI that does not otherwise fall within the requirement of R628-20-5. when other facts make it reasonably prudent to do so.
- (5) In approving an FDI, the Council may place restrictions on the use of the FDI when the Council determines it would be reasonably prudent to do so.
  - (a) It is the responsibility of the higher education institution to monitor any restriction placed on the FDI and if violated, to notify the Council of the issue within 30 days of the violation and provide a plan of action in regards to the violation.

#### **R628-20-8. Reporting by Higher Education Institutions of Foreign Deposits.**

- (1) The higher education institution shall file a written report with the Council on or before July 31 and January 31 of each year containing the following information for deposits held on June 30 and December 31 respectively:
  - (a) Total market value of the deposit account which will include previous historical ending balances (up to 3 years);
  - (b) Total market value of uninsured deposits in the deposit account, which will include previous historical ending balances (up to 3 years);
  - (c) Debt rating of the FDI; and
  - (d) Debt rating of the country in which the FDI is located.

**KEY: foreign deposits, higher education, public funds**

**Date of Enactment or Last Substantive Amendment: February 18, 2014**

**Notice of Continuation: April 12, 2019**

**Authorizing, and Implemented or Interpreted Law: 51-7-4(1)(b)(iii); 51-7-17(4)(a); 53B-7-601**

**R628. Money Management Council, Administration.**

**R628-21. Conditions and Procedures for the Use of Reciprocal Deposits.**

**R628-21-1. Authority.**

This rule is issued pursuant to Section 51-7-17(4) (b) and 51-7-18(2) (b).

**R628-21-2. Scope.**

This rule applies to all public treasurers who purchase reciprocal deposits and to all qualified depositories providing reciprocal deposits.

**R628-21-3. Purpose.**

The purpose of this rule is to establish requirements for the investing of public funds in reciprocal deposits.

**R628-21-4. Definitions.**

For purposes of this rule the following terms are defined in Section 51-7-3 of the Act and when used in this rule have the same meaning as in the Act:

- (1) Council;
- (2) Commissioner;
- (3) Public funds;
- (4) Public treasurer;
- (5) Qualified depository, and;
- (6) Reciprocal deposits.

**R628-21-5. General Rule.**

(1) A public treasurer may invest public funds in reciprocal deposits only through qualified depositories that use a deposit account registry service. The public funds placed with a qualified depository into reciprocal deposits does not apply towards the maximum public funds allotment for that qualified depository as described in R628-11.

(2) Reciprocal deposits may only be initiated by qualified depository institutions and then re-deposited through a deposit account registry service as follows:

(a) in one or more FDIC insured depository institutions in amounts up to the relevant FDIC-insured deposit limit for a depositor in each depository institution; and

(b) in exchange for reciprocal FDIC-insured deposits made through the deposit

account registry service to the qualified depository.

**R628-21-6. Insurance Requirements for a Deposit Account Registry Service.**

A deposit account registry service shall provide the public entity with proof of errors and omissions coverage equal to five percent of Utah public funds under management but not less than \$1,000,000 nor more than \$10,000,000 per occurrence.

**R628-21-7. Reporting Requirements.**

(1) A public entity shall file a written report with the Council of reciprocal deposits on or before July 31 and January 31 of each year for deposits held on June 30 and December 31 respectively.

(2) Within 10 days of the end of each month, each qualified depository institution holding reciprocal deposits on behalf of public treasurers shall file a report with the Commissioner of the total month-end amount of Utah public funds in reciprocal deposits initially deposited into the qualified depository institution and currently re-deposited in one or more FDIC insured depository institutions.

**KEY: public funds, qualified depository, reciprocal deposits**

**Date of Enactment or Last Substantive Amendment: April 15, 2014**

**Notice of Continuation: April 12, 2019**

**Authorizing, and Implemented or Interpreted Law: 51-7-17(4)(b); 51-7-18(2)(b)**