

Utah Money Management Council

350 N. State Street, Suite 180
P. O. Box 142315
Salt Lake City, Utah 84114-2315
(801) 538-1883 (801) 538-1465 Fax
mmcouncil@utah.gov



MONEY MANAGEMENT COUNCIL MEETING
THURSDAY AUGUST 15, 2013
AT THE UTAH STATE TREASURER'S OFFICE
ROOM 180
3:00 PM

A G E N D A

1. APPROVAL OF THE MINUTES OF THE JUNE 20, 2013 MEETING
2. REPORTS
 - A) Division of Securities
 - B) Department of Financial Institutions
 - C) State Treasurer
 - D) Deposit and Investment report update
 - E) Review of enforcement actions on financial institutions
3. UPDATE OF PROGRESS MADE ON RULE DRAFTING
4. OTHER BUSINESS
5. SCHEDULE NEXT MEETING

In compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify Kathy Wilkey, Administrative Assistant, at Room 180 State Capitol Building, (801) 538-1468.

Mark O. McRae, Chair
Bountiful City
790 South 100 East
Bountiful, UT 84010
Phone (801) 298-6090
mmcrae@bountifulutah.gov

Mark D. Watkins, Vice Chair
US Bank
170 South Main St., Ste 600
Salt Lake City, UT 84101
Phone (801) 534-6209
mark.d.watkins@usbank.com

Kirt Slauch
Key Bank
36 S. State Street, Ste 2500
Salt Lake City UT 84111
Phone (801) 297-5717
kirt_w_slauch@keybank.com

John B. Bond
Weber County
2380 Washington Blvd., Ste 350
Ogden, UT 84401
Phone (801) 399-8007
jbond@co.weber.ut.us

Douglas L. DeFries
Bank of Utah
2605 Washington Blvd.
Ogden, UT 84401
Phone (801) 409-5175
ddefries@bankofutah.com

**STATE MONEY MANAGEMENT COUNCIL-MINUTES
THURSDAY JUNE 20, 2013**

The regular meeting of the State Money Management Council was held in the Offices of the State Treasurer, 350 North State Street, Suite 180 at 3:00 p.m., Thursday, June 20, 2013. In attendance were:

Mark McRae, Chair
Doug DeFries
Kirt Slaugh
Ann Pedroza, Staff
David Damschen, Deputy State Treasurer
Tom Bay, Department of Financial Institutions
Michele Black, Securities Division
Jason Williams, Moreton Asset Management
Betsy Ross, State Treasurer's Office

Minutes of May Meeting

The minutes of the May 23, 2013 meeting were approved unanimously.

Monthly Reports

Securities Division:

Ms. Black passed out the lists noting the changes for the new quarter to the Certified Broker Dealer and Certified Investment Advisers. She informed the Council that two agents were added to the Certified Investment Advisers list with no deletions from that list. On the Broker Dealer list there were several additions and deletions. Council reviewed the lists briefly.

Financial Institutions' Report:

Mr. Bay presented the July 1, 2013 quarterly certification of public funds allotment for Qualified Depositories. Mr. Bay informed the Council that SummitOne Credit Union is no longer on the list as it has merged with another credit union. Council reviewed the list briefly.

Mr. Bay then reviewed the monthly report as of May month end noted that there were still five banks on the list with a reduced allotment and Gunnison Valley Bank is still using over 90% of their allotment. Council discussed this briefly.

State Treasurers Report:

Mr. Damschen presented the report and noted for the Council that the balance in the PTIF as of May month end was \$10.4 billion and the rate paid was .48% and that they anticipate the rate to stay at approximately this level. Mr. Slaugh inquired about his request from last month to provide a credit rating on the report to the Council. Mr. Damschen indicated that it had not been looked into. Council discussed the report briefly.

Late Deposit and Investment Report Update:

Ms. Pedroza informed the Council that there are 36 reports that have not been filed for the December 2012 reporting period.

Review of Enforcement Actions:

Mr. Damschen informed the Council that there were no new enforcement actions since the last meeting. Council briefly discussed enforcement action and the rule regarding the ability of the Council to reduce allotments.

Acceptance of Reports:

It was motioned and seconded, and all of the above reports were accepted unanimously.

Other Business

Update on conversation with Auditors Office:

Ms. Pedroza noted that they met with the Auditor's Office as requested by the Council. The Auditor's Office expressed that the procedures they currently have in place are not being followed by the independent auditors, and that the change of asking them to prove the deposit and investment report as prepared by the entity, would provide a better audit check. Council discussed this briefly and thanked the auditor's for the clarification.

Schedule Next Meeting

The Council then scheduled the next meeting for August 15, 2013 at 3:00 p.m. in the offices of the State Treasurer. Council tentatively scheduled the meetings in September for the 19th, and in October for the 17th. With no other business before the Council, they adjourned at 3:36 p.m.



GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

State of Utah
Department of Commerce
Division of Securities

FRANCINE A. GIANI
Executive Director

THOMAS A. BRADY
Deputy Director

KEITH WOODWELL
Director, Division of Securities

TO:	Money Management Council
FROM:	Michele Black, Division of Securities
RE:	Additions to the Certified Dealer List
DATE:	August 15, 2013

The following agents and firms have been added to the existing list for conducting investment transactions with public treasures pursuant to rule 16 of the State Money Management Council.

LPL Financial LLC

Agents: Stephen H. Beierlein
Timothy W. Floyd
Chad D. Waddoups



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KEITH WOODWELL
Director, Division of Securities

TO:	Money Management Council
FROM:	Michele Black, Division of Securities
RE:	Deletions List Certified Dealer
DATE:	August 15, 2013

The following agents and firms have been ~~added~~^{deleted} to the existing list for conducting investment transactions with public treasuries pursuant to rule 16 of the State Money Management Council.

RBC Capital Markets, LLC

Agents: Bradley T. Miller
Robert S. Cheney

Zions Bank Capital Markets

Agents: Ted Dutkanych

Zions Direct, Inc.

Agents: Ted Dutkanych



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KEITH WOODWELL
Director, Division of Securities

TO:	Money Management Council
FROM:	Michele Black, Division of Securities
RE:	Current List Certified Dealer
DATE:	August 15, 2013

The following is the list of Certified Dealers and Agent(s) effective **August 15, 2013**:

Ameriprise Financial Services, Inc.

Agents:	Daniel S. Nelsen	7730 Union Park Avenue, Suite 300 Midvale, UT 84047
	Bruce R. Wingrove	" "
	Rex Baxter	" "

Barclays Capital Inc.

Agents:	Peter Bjurstein	555 California Street, 30th Floor San Francisco, CA 94104
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DA Davidson & Co.

Agents:	Hank Jenkins	1600 Broadway, Suite 1100 Denver, CO 80202
	Traci Lohnes Salinas	7730 South Union Park Avenue, Suite 220 Midvale, UT 84047
	Nicholas Yip	" "

George K. Baum & Company

Agents:	Susan P. Gardner	4801 Main Street, Suite 500 Kansas City, MO 64112
	Joseph C. Higginbottom	1400 Wewatta Street, Suite 800 Denver, CO 80202
	Frederic H. Jones	15 West South Temple, #1090 Salt Lake City, UT 84101
	Stephen L. Strong	" "
	Brett C. Turnbull	4801 Main Street, Suite 500 Kansas City, MO 64112

Goldman Sachs & Co.

Agents: Ryan Newman
Chris Trinkus

200 West Street 5th Floor
New York, NY 10282

“ ”

LPL Financial LLC

Agents: Stephen H. Beierlein
Timothy W. Floyd
Chad D. Waddoups

5929 South Fashion Point Drive
Ogden, UT 84403
2104 West Sunset Boulevard
St. George, UT 84770
7181 South Campus View Drive
West Jordan, UT 84084

Morgan Stanley

Agents: Cody Adams
Paul Barton
Deidre M. Cortney
Johnthomas L. Cumbow
Douglas Felt
Phil Fonfara
John Hallgren
Debra Lyman
Thomas E. Nielson
John R. Ott
Brian Parcell
Angela Leach Pizzichini
Joseph A. Ranucci
F. Barton Reuling
Robert H. Rose
Kenneth Webster

60 East South Temple 20th Floor
Salt Lake City, UT 84111
6510 S. Millcreek Drive, Suite 100
Holladay, UT 84121
3033 East 1st Avenue, Suite 820
Denver, CO 80206
50 North Laura Street, Suite 2000
Jacksonville, FL 32202
60 E. South Temple
Salt Lake City, UT 84111
1101 5th Avenue
San Rafael, CA 94901
60 East South Temple
Salt Lake City, UT 84111
6510 S. Millrock Drive, Suite 100
Holladay, UT 84121
“ ”
1101 5th Avenue
San Rafael, CA 94901
60 E. South Temple
Salt Lake City, UT 84111
3033 East 1st Avenue, Suite 820
Denver, CO 80206
50 North Laura Street, Suite 2000
Jacksonville, FL 32202
6510 S. Millrock Drive, Suite 100
Holladay, UT 84121
60 East South Temple
Salt Lake City, UT 84111
6510 S. Millrock Drive, Suite 100
Holladay, UT 84121

Pierpont Securities, LLC

Agents: William H. Money III

299 South Main Street, Suite 1300
Salt Lake City, UT 84111

Marcus A. Nield

"

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Jamison Yardley

"

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Raymond James & Associates, Inc.

Agents: Mark McKinnon

2825 East Cottonwood Parkway, Suite 500
Salt Lake City, UT 84124

RBC Capital Markets, LLC

Agents: Todd N. Adams

299 South Main Street, #2000
Salt Lake City, UT 84111

Eric Ajlouny

345 California Street

San Francisco, CA 94104

Eddie Barber Jr.

299 South Main Street, #2000

Salt Lake City, UT 84111

Scott Chappell

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Robert S. Cheney

"

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Walter Hall

345 California, 29th Floor

San Francisco, CA 94104

Matthew Hofer

345 California Street 29th Floor

San Francisco, CA 94104

Tracy L. Maltby

805 SW Broadway, Suite 1800

Portland, OR 97205

Craig Martucci

299 South Main Street, #2000

Salt Lake City, UT 84111

Ronald N. Mason

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Bradley T. Miller

"

"

Brent Peterson

805 SW Broadway, Suite 1800

Portland, OR 97205

Patrick Porter

299 South Main Street, Suite 2000

Salt Lake City, UT 84111

Russell Tobler

"

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Sam Vetas

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UBS Financial Services Inc.

Agents: Don M. Bunnell

299 South Main, Suite 2100

Salt Lake City, UT 84111

Barry B. Bowen

"

"

John Doke

100 Crescent Court, Suite 600

Dallas, TX 75201

UBS Financial Services Inc. cont.

Agents: Matthew J. Hufford

Fred C. Luedke

Jim Madden
Nat Mosley
Christopher Soutas

299 South Main, Suite 2100
Salt Lake City, UT 84111
100 Crescent Court, Suite 600
Dallas, TX 75201
" " " "
299 South Main, Suite 2100
Salt Lake City, UT 84111

Wells Fargo Advisors LLC

Agents: Daniel Payne

David Payne
Timothy Payne
R. Dane Bradshaw

Josh G. Burgon

201 South Main Street, Suite 160
Salt Lake City, UT 84101
" " " "
6550 South Millrock Drive
Holladay, UT 84121
" "

Wells Fargo Securities LLC

Agents: Benjamin Byington

Thomas Degenaars
Brandon Hodge
Larry Lundberg

Chandos Robertson

Ryan Stoker
Randy Church

299 South Main Street
Salt Lake City, UT 84111
" " " "
1445 Ross Avenue
Dallas, TX 75202
299 South Main Street
Salt Lake City, UT 84111
" " " "

Zions Bank Capital Markets

Agents: Veronica Atkinson

Kindra Corbin
Jacqueline Davies
Neil Decker
Wendy Jones
Brad Mayeda
Daniel Ricks
Ty Roberts
Ben Sehy
Kathy Sullivan

One South Main Street, 17th Floor
Salt Lake City, UT 84133
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Zions Direct, Inc.

Agents: Veronica Atkinson

**One South Main Street, 17th Floor
Salt Lake City, UT 84133**

Kindra Corbin

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Jacqueline Davies

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Neil Decker

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Wendy Jones

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Brad Mayeda

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Daniel Ricks

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Ty Roberts

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KEITH WOODWELL
Director, Division of Securities

TO: Money Management Council
FROM: Michele Black, Division of Securities
RE: Current List Certified Investment Adviser
DATE: August 15, 2013

The following is the list of Certified Investment Advisers and Investment Adviser Representative(s) effective August 15, 2013:

AllianceBernstein L.P.

Investment Adviser

Representatives:

Joseph E. Brienza	1225 17 th Street, Suite 2900	
	Denver, CO 80202	
Jeffrey F. Jagard	"	"
John Robb	"	"

Cutwater Asset Management

Investment Adviser

Representatives:

Mary Donovan	1700 Broadway, Suite 2050	
	Denver, CO 80290	
Bruce G. Ely	"	"
Marc H. McClure	"	"
Hal Nachtrieb	1900 Sixteenth Street, Suite 200	
	Denver, CO 80202	
David Witthohn	1700 Broadway, Suite 2050	
	Denver, CO 80290	

Moreton Asset Management, LLC

Investment Adviser

Representatives:

Jordan C. Hansen	709 East South Temple	
	Salt Lake City, UT 84102	
Andrew J. Robbins	"	"
Jason M. Williams	"	"

Morgan Stanley
Investment Adviser

Representatives:	Cody C. Adams	60 South Temple Salt Lake City, UT 84111
	Paul Barton	6510 Millcreek Drive, Suite 100 Holladay, UT 84121
	Douglas Felt	60 South Temple Salt Lake City, UT 84111
	John Hallgren	60 East South Temple Salt Lake City, UT 84111
	Debra Lyman	6510 Millcreek Drive, Suite 100 Holladay, UT 84121
	Thomas E. Nielson	" "
	Brian Parcell	60 East South Temple Salt Lake City, UT 84111
	F. Bart Reuling	6510 Millcreek Drive, Suite 100 Holladay, UT 84121
	Robert H. Rose	60 East South Temple Salt Lake City, UT 84111
	Kenneth Webster	6510 Millcreek Drive, Suite 100 Holladay, UT 84121

PFM Asset Management LLC

Investment Adviser

Representatives:	Lauren Brant	1400 16 th Street, Suite 400 Denver, CO 80202
	Christopher Blackwood	" "

Zions Wealth Advisors

DBA for Contango Capital Advisors Inc.

investment adviser

representatives:	Greg Aiken	One South Main Street, 12 th Floor Salt Lake City, UT 84133
	Gregory D. Balls	" "
	Brett Belliston	" "
	Ben Blake	903 East 12300 South Draper, UT 84020
	Scott R. Burnett	One South Main Street, 12 th Floor Salt Lake City, UT 84133
	Charles D. Erb	One South Main, 17 th Floor Salt Lake City, UT 84133
	Gary Mark Hill	One South Main Street, 12 th Floor Salt Lake City, UT 84133
	Matthew R. Johnson	" "
	Brian Moore	" "
	Diane Veltri	" "
	David Warne	" "



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KEITH WOODWELL
Director, Division of Securities

TO:	Money Management Council
FROM:	Michele Black, Division of Securities
RE:	Additions to the Certified Investment Adviser List
DATE:	August 15, 2013

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.

Zions Wealth Advisors
Dba Contango Capital Advisors Inc.
Investment Adviser
Representatives: Charles D. Erb

Late D&I reports
As of
8/15/13

Delta City	Panquitch City Cemetery
Eureka City	Penrose Cemetery
Helper City	Plain City Cemetery
Honeyville City	So Summit Cemetery
Hurricane City	West Weber-Taylor Cemetery
Kaysville City	Willard Cemetery
Laketown City	Woodruff Cemetery
Lehi City	
Mendon City	Davis Co Council of Gov't
Monroe City	Mountainland AOG
Monticello City	Multi-County Appraisal Tr Fund
Moroni City	Carbon Co Housing Auth
Orem City	Southeastern Ut Housing Auth
Parowan City	Emery Co Housing Auth
Provo City	Millard Co Housing Auth
River Heights City	Orem Muni Building Auth
Roosevelt City	Delta City Fire
Salina City	Garden City Fire Dist
Santa Clara City	Interlocal Fin Auth of Summit Co
Santaquin City	San Juan Co Trans Dist
Sunset City	Utah Assoc Muni Pwr Systems
Willard City	Wasatch Co Fire Protect SSD
Cache County	Davis S/D Foundation
Garfield County	Weber S/D Foundation
Iron County	Washington Co S/D Foundation
Morgan County	
Rich County	Box Elder S/D
Summit County	Carbon S/D
Utah County	Daggett S/D
Washington County	Juab S/D
Wayne County	Murray S/D
	So Sanpete S/D
Box Elder Co MAD	Tintic S/D
College/Young MAD #1	Washington S/D
So Salt Lake Co MAD	Wayne S/D
Antimony Cemetery	
Ben Lomond Cemetery	Austin Community SS Dist
Benjamin Cemetery	Bear Lake SS Dist
Cornish Cemetery	Beaver Co Waste Mgt SSD#5
East Garland Cemetery	Beaver Dam Village SS Dist
Garden City Cemetery	Cache Metro Planning Org
Hyde Park Cemetery	Dixie Deer SS Dist

Duchesne Co SS Dist #2
Garfield Co SS Dist #1
Grand Co SS Rec Dist
Hanna Water & Sewer Dist
Iron Co SS Dist #3
Millard Co SS Dist #8
Neola Community Park Dist
North Fork SS Dist
Northern Utah Regional Landfill
Northpointe Solid Waste SS Dist
North Sanpete Ambulance Service
Ogden Valley Trans/Rec SS Dist
Peoa Rec SS Dist
Pinon Forest SS Dist
Skyline Mountain SS Dist
Sevier C SS Dist #2
Stansbury Rec Serv Area of Tooele Co
Stansbury Service Agency
Strawberry Lakeview SS Dist
Summit SS Dist
Tabby Valley Parks & Rec Dist
Uintah Health Care SS Dist
UTOPIA
Wayne Co Sanitation SS Dist
Wayne Co SS Dist #1
Weber Human Services
West Erda Imp Dist
White Hills SS Dist

Alta Town
Alton Town
Amalga Town
Antimony Town
Cedar Fort Town
Cedar Hills Town
Central Valley Town
Circleville Town
Cornish Town
Deweyville Town
Elmo Town
Elwood Town
Hildale City
Leeds Town
Lyman Town
Lynndl Town
Mantua Town

Marriott/Slaterville Town
Meadow Town
New Harmony Town
Orderville Town
Paradise Town
Scipio Town
Scofield Town
Sterling Town
Wales Town
Wallsburg Town
Woodruff Town

College of Eastern Utah-USU
Ogden Weber Applied Tech Center
Snow College
Utah Valley University
Utah State University
SL Tooele ATC
Utah College of Applied Tech
Mountainland Applied Tec College

Benchland Water Dist
Bluff Waterworks SS Dist
Box Elder Co Serv Area #2
Box Elder/Willard Fld Control
Perry City Flood control
Bristlecone Wtr Imp Dist
Cache Co Drain Dist #5
Cache Co Drain Dist #6
Charleston Wtr Cons Dist
E Duchesne Culinary Wtr Imp Dist
East Juab Co Wtr Cons Dist
East Lewiston Drain Dist #4
Hansel Valley WtrShd Dist
Iowa String Drain Dist
Lake Shore & Benjamin Drain Dist
Mapleton Irrigation Co
Millard Co Drain Dist #1
Millard Co Drain Dist #4
Neola Wtr & Swr Dist
Powder Mtn Wtr/Swr Imp Dist
Provo Metro Wtr Dist
Rush Valley Wtr Dist
Sandy Sub Imp Dist
Sanpete Co Wtr Cons Dist
Sevier co Drain Dist #4

Snyderville Basin Wtr Reclaim Dist
Stansbury Greenbelt Serv Area
Wayne Co Wtr Cons Dist
Weber Co Serv Area#5(Liberty Pk)
Wide Hollow Wtr Consv Dist

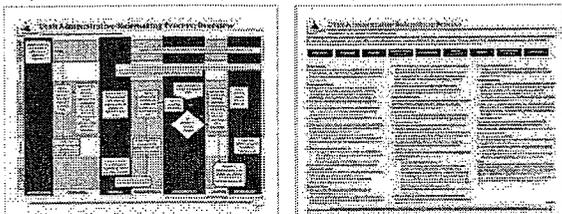
Canyon Rim Academy
Early Light Academy
East Hollywood High School
Endeavor Hall
Fast Forward Charter High School
Freedom Academy
Hawthorn Academy
Highmark Charter School
Karl G Maeser Prep Academy
Leadership Learning Academy
Liberty Academy
Maria Montessori Academy
Moab Charter School
Monticello Academy
North Davis Prep Academy
North Star Academy
Ogden Prep Academy
Open High School
Oquirrh Mtn Charter School
Paradigm High School
Pinnacle Canyon Academy
Quest Academy
Salt Lake Arts Academy
Syracuse Arts
Timpanogos Academy
Tuacahn High School
Wasatch Peak Academy

UTAH ADMINISTRATIVE RULEMAKING PROCESS

THE PATH A PROPOSED RULE TAKES

A Proposed Rule is the most common type of administrative rule filing. This page provides a brief summary of the Proposed Rule process. This process is formally outlined in Section 63G-3-301 and elsewhere in Title 63G, Chapter 3. The requirements for other types of rulemaking actions (120-Day (Emergency) Rules, Five-Year Reviews and Extensions, etc.) vary (see Title 63G, Chapter 3). More detailed information about the rulemaking process and the other types of rulemaking actions is available in the Rulewriting Manual for Utah.

Graphical versions (overview and detailed) of this page are available in PDF format.



Participants in the process include:

- various state agencies;
- the public;
- the Division of Administrative Rules;
- the Governor's Office of Management and Budget;
- the Governor's Office of Economic Development; and
- the Legislature's Administrative Rules Review Committee.

GENERALLY

The rulemaking process is intended to provide transparency to state administrative rules. The process provides:

- notice to the public about proposed administrative rules;
- an opportunity to participate in the development of administrative rules; and
- access to current administrative rules that have the effect of law.

At any time, a person may request that an agency place the person's name on a mailing list for advanced notice of rulemaking (Subsection 63G-3-301(10)).

The rulemaking process for a Proposed Rule can be logically divided into seven major phases or periods: authorization, preproposal, proposal, comment period, comment consideration, adoption, and enforcement. Publication of a rule – once when it is proposed, and once again after it is made effective – serves as a significant milestone in the rulemaking process. This basic sequence of the rulemaking process for a Proposed Rule is outlined below.

AUTHORIZATION

- An agency must be authorized to regulate by the Utah Constitution or state statute. The Utah Constitution, state statute, federal law, or court order may permit or require rules (Subsection 63G-3-102(16) and Section 63G-3-201).

PREPROPOSAL PHASE

- The agency identifies a need for a new rule or a change to an existing rule. The need for a rule may come from comments received from the public; new legislation; an adjudication establishing a principle of law; a petition for rulemaking, etc.
- The agency may obtain assistance from the attorney general (Subsection 63G-3-201(9)).
- The agency may create and maintain an "administrative record" (defined in Subsection 63G-3-102(1)) to document its decision-making process (Subsections 63G-3-602(3)(b) and 63G-3-602(4)(a)(ii)).
- The agency involves affected persons in drafting the rule (Subsection 63G-3-301(3)).
- If the agency expects the rule to have a measurable negative fiscal impact on small business, the agency conducts a small business impact reduction analysis (Subsection 63G-3-301(6)).
- The agency's department head (typically a member of the Governor's Cabinet, or a person at an equivalent level) comments on the fiscal impacts the rule may have on businesses (Subsection 63G-3-301(5)).
- The agency prepares a proposed rule.
 - The agency drafts the rule text marking it to show additions with underlining and deletions with strike-out surrounded by brackets (Section R15-4-9).
 - The agency completes a rule analysis (Subsection 63G-3-301(8)).
- The agency may prefile the rule with the Governor's Office of Planning and Budget.

- The agency reviews the rule analysis with any board or commission with rulemaking or advisory authority (Herbert EO/013/2011)
- The agency sends the Proposed Rule to its departmental administrative rules coordinator (Herbert EO/013/2011)

PROPOSAL PHASE

- The agency files the Proposed Rule with Division of Administrative Rules (Subsection 63G-3-301(4)).
- The Division of Administrative Rules provides a copy of the rule to the Governor's Office of Planning and Budget for executive branch review (Herbert EO/013/2011).
- GOPB, as the agency's designee, provides a copy to the Governor's Office of Economic Development (Herbert EO/013/2011)
- The agency sends a copy of the rule analysis to persons: (1) who have requested notice; (2) who the agency is required by law to notify; and (3) who, in the judgment of the agency, should be notified (Subsection 63G-3-301(10)).
- The Division of Administrative Rules reviews the rule for completeness and compliance with the Utah Administrative Rulemaking Act and related rules (Subsection 63G-3-402(1)(n)).

BULLETIN PUBLICATION (PROPOSED)

The Division of Administrative Rules publishes the Proposed Rule in the Utah State Bulletin available from <http://www.rules.utah.gov/publicat/bulletin.htm> (Subsection 63G-3-402(1)(d)).

COMMENT PERIOD

- The Division provides the Administrative Rules Review Committee with a copy of the Utah State Bulletin containing each Proposed Rule (Subsection 63G-3-501(2)).
- A person may submit public comment regarding a Proposed Rule directly to the agency during the comment period.
- The agency accepts public comment during the period it designates on the rule analysis (no fewer than 30 days and no more than 113 days after publication of the rule) (Subsection 63G-3-301(11)).
- The Administrative Rules Review Committee must review the agency's rule and may ask the agency to appear before the committee (Section 63G-3-501).
- A person may request that the agency hold a public hearing about a specific Proposed Rule (Subsection 63G-3-302(2)).
- The agency:
 - may hold a hearing at its option; OR
 - must hold a hearing when requested by: (1) another state agency; (2) 10 interested persons; or (3) an interested association having not fewer than 10 members (The request for a hearing must be made within 15 days of publication of the rule in the Bulletin, must be held before the rule is made effective, and must be no fewer than 7 nor more than 30 days after the agency received the request.); OR
 - must hold a hearing when required by other law (Subsection 63G-3-302(1) through (3)).
- A person may request that the agency prepare a small business impact reduction analysis if one was not previously prepared by the agency (Subsection 63G-3-301(7)).

COMMENT CONSIDERATION

- The agency must take at least seven days following the public comment period to consider the public comment it has received (Subsection 63G-3-301(11) and (12)).

ADOPTION PHASE

- The agency notifies the Division of Administrative Rules of the rule's effective date (no fewer than 7 calendar days after the close of the public comment period, nor more than 120 days after the publication of the rule in the Bulletin) (Subsection 63G-3-301(12)).
- The Division publishes notice of the effective date in the next issue of the Utah State Bulletin (Subsection 63G-3-301(12)).
- If the Division of Administrative Rules does not receive a Notice of Effective Date on or before the 120th day, the rule lapses. To make the rule enforceable, the agency must start the rulemaking process over again (Subsection 63G-3-301(12)).

CODE PUBLICATION (EFFECTIVE)

The Division of Administrative Rules codifies and publishes the effective rule in the Utah Administrative Code available at <http://www.rules.utah.gov/publicat/code.htm> (Subsection 63G-3-402(1)(e)).

ENFORCEMENT PHASE

- The agency enforces the rule.
- The Administrative Rules Review Committee may ask the agency to appear before the committee (Section 63G-3-501).
- A person may petition the agency to change or repeal an existing rule, or enact a new rule (Section 63G-3-601).
- A person aggrieved by a rule may seek judicial review of that rule after exhausting administrative remedies (Section 63G-3-602).

NOTES

Agency

means "each state board, authority, commission, institution, department, division, officer, or other state government entity . . . which is authorized or required by law to make rules, adjudicate, grant or withhold licenses, grant or withhold relief from legal obligations, or perform other similar actions or duties delegated by law." "Agency" does not include the legislative or judicial branches, or state political subdivisions (Subsection 63G-3-102(2)).

Division

means the Division of Administrative Rules (Subsection 63G-3-102(7)).

Person

means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an agency (Subsection 63G-3-102(12)).

ADDITIONAL INFORMATION

If you have a question about the rulemaking process or the information presented on this page, please contact the Division of Administrative Rules.

R###-##-# Purpose: To provide guidelines to higher education institutions when depositing public funds in foreign countries.

R###-##-# Authority: This rule is issued pursuant to Section 51-7-117(B)(4)(a) and 53B-7-601

R###-##-# Scope: This rule relates to public funds of higher education institutions that are required by law of the foreign country to be deposited in the foreign country or deposits from a grant, gift or contract that are required to be deposited in a foreign country.

R###-##-# Definitions:

1. Public funds would include tax revenue, _____.
2. Public funds would not include revenue or donations from a private entity/person that are gifted to a public entity and are now held as public funds.

R###-##-# General Rule:

1. With the exception of the following restrictions, the rules the deposit of public funds will follow the current Money Management Act guidelines.
2. Deposits in an FDI should be deposited in an insured institution.
3. FDIs must be rated "A" or better by one nationally recognized statistical organization (NRSRO).
4. The sovereign debt rating of the country where the FDI is domiciled must be rated "A" or better an NRSRO.
5. Use of FDIs in any county or territory described below should is prohibited:
 - a. Countries subject to sanctions by the Office of Foreign Assets Control (OFAC).
 - b. Countries and territories on the Financial Action Task Force's (FATF) list of high-risk and non-cooperative jurisdictions.
6. Financial Crimes Enforcement Network (FinCEN) advisories must be reviewed 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 an FDI.
7. FDIs must not be listed on the U.S. Treasury's Specially Designated Nationals (SDN) list.
8. Prior to approval by the Money Management Council, the public entity will present to the Money Management Council the reasoning and purpose for the deposit or investment. Upon review of the plan, the MMC will give final approval to allow public funds to be deposited in an FDI.

R###-##-# It is the responsibly of the public entity to monitor the restrictions placed on an FDI. If a restriction is violated the public entity will notify the MMC of the issue and provide a plan of action to resolve the violation. The MMC should be notified within 30 days of the violation of the restriction.

R###-##-# Reporting by higher education institutions of foreign deposits. The higher education institution will report a written report to the MMC on or before July 31 and January 31 of each year containing the following information for investments held on June 30 and December 31 respectively:

- A. Total market value of the deposit account, which will include previous historical valuation dates (up to 3-years).
- B. Total market value of uninsured deposits in the money market account, which will include previous historical valuation dates (up to 3-years).
- C. Debt rating of the FDI
- D. Debt rating of the country the FDI is located in

Items previously reviewed and discussed:

1. CDars program: Pros and Cons, conflicts with currents of Act and Rules
2. Portfolio Diversification: Sector concentration; 5%/10% requirement
3. Public Funds Allotment: Reduction for formal enforcement actions; Calculation of allotment
4. D & I Reports: Proper classification(ex. endowments); Inclusion of all Entities (ex. MBA)
5. Training: Council responsibility and involvement
6. Certified Dealer/ Investment Advisor: Approval, Denial, and Revocation; Audited financial statements
7. Investment Policy: Required or Encouraged
8. Treasurer's Bond: Who is to be bonded; type of bond
9. Collateralization