

Collin County Community College District Board of Trustees

2020-06-X

June 23, 2020

Resource: H. Neil Matkin
District President

AGENDA ITEM: Report Out of the Finance and Audit Committee and Consideration of Approval of the Authorized Broker/Dealer List

DISCUSSION: Policy CAK (Local) requires that the Board of Trustees annually review and approve the list of approved Broker/Dealers with which the College is authorized to transact investment activity. At the regular meeting of the Board in March 2020, a contract was awarded to Patterson Capital Management to act as investment advisors to the College. In their capacity as investment advisors, Patterson Capital Management has recommended a list of primary dealers with which the College is authorized to execute securities transactions. Primary dealers are banks or securities broker-dealers who may trade directly with the Federal Reserve System of the United States. Primary dealers purchase the vast majority of US Treasury securities and resell them to the public and other brokerage firms. Due to the large volume of US Treasury securities they trade, they are often able to offer securities at an advantageous price.

DISTRICT PRESIDENT'S RECOMMENDATION: The District President recommends the attached list of broker/dealers for the College to seek securities transaction bids and to effect the purchase of securities for the investment portfolio of the College.

SUGGESTED MOTION: "Mr. Chairman, I make a motion that the Board of Trustees of Collin County Community College District approves the attached list of broker/dealers for the College to seek securities transaction bids and to effect the purchase of securities for the investment portfolio of the College."