

BACKGROUND INFORMATION, DISCUSSION ITEM 2.
BUDGET AND FINANCE COMMITTEE
JUNE 28, 2016

TITLE: Authorized Broker/Dealer List Recommended by Patterson & Associates, Investment Advisors to the College

DISCUSSION: Policy CAK (Local) requires that the Board of Trustees annually review and approve the list of approved Broker/Dealers with whom the College is authorized to transact investment activity. At the regular meeting of the Board in March 2016 a contract was awarded to Patterson & Associates to act as investment advisors to the College. In their capacity as investment advisors, Patterson & Associates has recommended a list of primary dealers with whom 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. Because of the large volume of US Treasury securities they trade, Patterson & Associates is often able to offer securities at an advantageous price.