

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 9, 2023

SUBJECT: USF's Self Insurance Program Health Sciences Center Insurance Co. Inc.

PROPOSED BOARD ACTION

Approve amendments to the investment policy of USF's Self Insurance Program Health Sciences Center Insurance Co. Inc.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board Regulation 10.001(2)(d)(6).

BACKGROUND INFORMATION

On October 13, 2023, the Board of Directors for the USF HSCIC approved the proposed amendments to the investment policy. Generally, the changes proposed were to: 1) eliminate redundant and unnecessary language in the policy and promote internal consistency throughout; 2) allow for holding a certain percentage of bonds (10%) with a Baa or BBB rating (before they were limited to A rated bonds) and to provide instruction in the event of a split rating; and 3) give the Investment Manager authority to increase the percentage of equities to the extent that the S & P carries a greater percentage than the 5% allowed by our policy.

Pursuant to Board Regulation 10.001(2)(d)(6), the duties of each council, which administers the self-insurance programs, include establishing an investment policy consistent with section 215.47 which must be approved by the Board of Governors.

Supporting Documentation Included: 1. Letter on Investment Policy Changes
2. Investment Policy-Clean
3. Investment Policy- Redline

Facilitators/Presenters:

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