

POLICY 731 – POST-ISSUANCE DEBT COMPLIANCE POLICY

I. PURPOSE

The school district will ensure that each of its qualifying financial obligations will be in compliance with all applicable state and federal regulations.

II. GENERAL STATEMENT OF POLICY

The school district will monitor debt obligations to ensure compliance with the Internal Revenue Code and all other regulations governing such obligations.

III. POST-DEBT COMPLIANCE PROCEDURES

- A. The Superintendent or his or her designee will establish and update on regular and as needed bases Post-Debt Compliance Procedures to monitor the uses, filings, investments of proceeds and other requirements for the school district's bonds, notes, loans, lease purchase contracts, lines of credit, commercial paper or any other form of debt subject to this policy.
- B. The Superintendent or his or her designee will assemble and retain all relevant documentation, records and activities required to ensure post-issuance debt compliance for each qualifying obligation.
- C. The requirements for documentation, records, and activities for each qualifying obligation will address, at a minimum:
 - 1. General post-issuance compliance;
 - 2. Proper and timely use of obligation proceeds and obligation-financed property;
 - 3. Arbitrage yield restriction and rebate;
 - 4. Timely filings and other general requirements;
 - 5. Additional undertakings or activities that support these requirements;
 - 6. Maintenance of proper records related to the obligations and the investment of proceeds of obligations;
 - 7. Other requirements that may be imposed in future laws or rules.

IV. PRIVATE ACTIVITY BONDS

- A. The school district may issue tax-exempt obligations that are private activity bonds in either of the following two situations:
 - 1. The bonds finance a facility that is owned by the school district but used by one or more qualified 501(c)(3) organizations, or
 - 2. The bonds are so-called "conduit bonds" under which the proceeds are loaned to a qualified 501(c)(3) organization or another private entity that finances activities eligible for tax-exempt financing under federal law.
- B. Any private activity bonds will remain in compliance with the requirements of this Policy and the school district's Post-Debt Compliance Procedures.

V. IMPLEMENTATION OF POLICY

In accordance with school district requirements, the Superintendent or his or her designee responsible for implementing this policy may expend funds as needed to attend training or secure use of other educational resources for ensuring compliance such as consulting, publications, and compliance assistance.

Policy Reviewed: 1/27/15

Policy Adopted: 11/17/13

School Board
INDEPENDENT SCHOOL DISTRICT 279
Maple Grove, Minnesota