

Post-Issuance Tax Compliance

The purpose of these Post-Issuance Tax Compliance Procedures is to establish guidelines and procedures in connection with tax-exempt or tax-advantaged bonds and other debt obligations issued by the District (generally referred to as “Obligations”).

Tax exempt borrowings and other borrowings of the District, including but not limited to tax-exempt bonds, refunding bonds, tax credit bonds, installment and lease purchase agreements, lines of credit, State aid notes and tax anticipation notes are collectively referred to as “obligations”.

It is the intent of the District to ensure that all tax-exempt obligations issued by the District satisfy all requirements of the Internal Revenue Code of 1986, as amended (the code) and regulations there under (the regulations).

The Internal Revenue Service (IRS) has recommended that issuers of tax-exempt and tax-advantaged obligations have written procedures in place to enable the issuer to effectively monitor the post-issuance requirements outlined in the IRS code.

Accordingly, the District will maintain a written procedure for post-issuance compliance that will encompass the following key elements:

- Due diligence review at regular intervals
- Identifying the employee responsible for the review
- Training of the responsible employee
- Retention of adequate records to substantiate compliance (e.g. expenditures of proceeds)
- Procedures expected to identify non-compliance
- Procedures that the issuer will take to correct non-compliance

The District reserves the right to use its discretion as necessary and appropriate to make exceptions or request additional provisions as circumstances warrant. The District also reserves the right to amend these Procedures and all related procedures from time to time as deemed necessary in the District’s sole discretion. In addition, these Procedures are subordinate to the Code and any regulations thereto and are subject to amendment or deletion depending on the content of any new regulations or Code amendments promulgated by the United States Treasury.

Effective Date: September 6, 2015