

# CLINTONDALE COMMUNITY SCHOOLS

35100 Little Mack – Clinton Township, Michigan 48035 - 586-791-6300 – [www.clintondaleschools.net](http://www.clintondaleschools.net)

## BOARD POLICY

### *Series 3000: Operations, Finance, and Property*

#### *3200 Finance and Borrowing*

##### *3212 Post-Issuance Disclosure Compliance*

In connection with the District's issuance of securities that are subject to the requirements of Securities and Exchange Commission Rule 15c2-12 ("Bonds"), the District may be subject to a continuing disclosure undertaking or agreement ("CDA") to disclose certain information after issuance of Bonds. A CDA may be found in the Bond issue's transcript of proceedings.

The chief business official ("Compliance Officer") will be responsible for establishing and coordinating compliance with this Policy.

If the Board determines that compliance with this Policy in a particular situation would impose an unreasonable burden on the District, it may forego compliance with the advice of bond counsel.

#### A. The Compliance Officer

##### 1. The Compliance Officer will:

- a. monitor and verify compliance with the CDAs; and
- b. create and maintain an inventory of the District's outstanding financial obligations.
  - i. A financial obligation means:
    - a debt obligation or a guarantee of a debt obligation; or
    - a derivative instrument entered into in connection with, or pledged as security or a source of payment for, existing or future debt obligations or a guarantee of such derivative instrument.
  - ii. Financial obligation does not include any municipal security for which a final official statement has been provided to the Municipal Securities Rulemaking Board pursuant to Rule 15c2-12.

2. The District, at its cost, will provide the Compliance Officer with training and educational resources necessary to ensure compliance with the CDAs.
3. The Compliance Officer has authority to seek guidance from the District's bond counsel and financial advisors to comply with the CDAs.

#### B. Review of Offering Materials

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When the District issues Bonds, the Compliance Officer will review the preliminary official statement, final official statement, and other applicable offering materials to ensure they do not:

1. contain any untrue statement of a material fact; or
2. omit any material fact that would need to be included to make the statements not misleading.

#### C. Post-Issuance Obligations

1. The Compliance Officer will review continuing disclosure requirements before each annual disclosure deadline.
2. The Compliance Officer's annual review will include ensuring the following information, where applicable, is reported to the proper repository (as of the date of adoption of this Policy, the repository is the Electronic Municipal Market Access website of the Municipal Securities Rulemaking Board at <http://www.emma.msrb.org>):
  - a. by December 27 of each year (unless the deadline differs in an applicable CDA):
    - i. audited financial statements for the most recently ended fiscal year in compliance with state laws, administrative rules, and generally accepted accounting principles applicable to the District as such principles are prescribed, in part, by the Financial Accounting Standards Board and modified by the Government Accounting Standards Board; and
    - ii. additional annual financial information and operating data set forth in the respective CDA or in the respective official statement for a particular Bond issue under the heading "CONTINUING DISCLOSURE" or similar heading.
  - b. notice of certain reportable events, subject in some cases to a determination of materiality by the District, within 10 business days after the occurrence. See each CDA for the respective list of events, which typically includes the following:
    - non-payment related defaults, if material;
    - modifications to rights of bondholders, if material;
    - bond calls, if material;

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- release, substitution, or sale of property securing repayment of the Bonds, if material;
  - the consummation of a merger, consolidation, or acquisition, or certain asset sales involving the District, or entry into or termination of a definitive agreement relating to the foregoing, if material;
  - appointment of a successor or additional trustee or the change of name of a trustee, if material;
  - incurrence of a financial obligation by the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders, if material;
  - principal and interest payment delinquencies;
  - unscheduled draws on debt service reserves reflecting financial difficulties;
  - unscheduled draws on credit enhancements reflecting financial difficulties;
  - substitution of credit or liquidity providers, or their failure to perform;
  - defeasances;
  - credit rating changes, including the District's underlying rating or an enhanced rating on the Bonds due to credit enhancement;
  - adverse tax opinions or events affecting the status of the Bonds, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material events, notices, or determinations as to the tax status of the Bonds;
  - tender offers;
  - bankruptcy, insolvency, receivership, or similar event of the District; and
  - default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.
- c. If the District retains a third party to assist the District with fulfilling its continuing disclosure responsibilities under any CDA, the Compliance

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### **BOARD POLICY**

Officer will annually review the contract and verify that the third party has fulfilled all of the District's continuing disclosure responsibilities.

***Legal authority: 17 CFR 240.15c2-12; MCL 380.1351a***

***Date adopted: 10/23/23***

***Date revised:***