



OPERATIONAL EXPECTATIONS

ISD 197 School Board

Non-Instructional Operations and Business Services

Contact: Director of Finance

730 POST-ISSUANCE DEBT COMPLIANCE

I. PURPOSE

The purpose of this policy is to establish procedures to help ensure that all obligations will be in compliance with all applicable state and federal regulations.

II. GENERAL STATEMENT OF POLICY

The Internal Revenue Service (IRS) is responsible for enforcing compliance with the Internal Revenue Code and most other regulations governing certain obligations (As example: tax-exempt obligations, Build America Bonds, Recovery Zone Development Bonds and various "Tax Credit" Bonds). The IRS expects issuers and beneficiaries of these obligations to adopt and implement a post-issuance debt compliance policy and procedures to safeguard against post-issuance violations.

The school district desires to monitor these obligations to ensure compliance with the IRS Code and all other regulations governing such obligations. To help ensure compliance, this policy shall apply to these obligations including bonds, notes, loans, lease purchase contracts, lines of credit, commercial paper or any other form of debt that is subject to compliance.

III. REQUIREMENT

- A. The Director of Finance is designated as the district's agent who is responsible for post-issuance compliance of these obligations.
- B. The Director of Finance shall assemble all relevant documentation, records and activities required to ensure post-issuance debt compliance as further detailed in the "Post-Issuance Debt Compliance Procedures". At a minimum, the Post-Issuance Debt Compliance Procedures for each qualifying obligation will address the following:
 - 1. General Post-Issuance Compliance;
 - 2. Proper and timely use of bond proceeds and bond-financed property;
 - 3. Arbitrage yield restriction and rebate;
 - 4. Timely filings and other general requirements;
 - 5. Additional undertakings or activities that support points 1 through 4 above;
 - 6. Other requirements that becomes necessary in the future.

- C. The Director of Finance shall apply the Post-Issuance Debt Compliance Procedures to each qualifying obligation and maintain a record of the results. Further, the Director of Finance will ensure that the Post-Issuance Debt Compliance and Procedures are updated on a regular and as needed basis.

- D. The Director of Finance or any other individuals responsible for assisting the Director of Finance in maintaining records needed to ensure post-issuance compliance, are authorized to 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 ADOPTED:	June 4, 2012
POLICY REVIEWED/REVISED:	August 20, 2018; October 18, 2021; August 19, 2024
Monitoring Method:	Administrative Review
Monitoring Frequency:	Every three years