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CONTACT PERSON

NAME: Cindy Greiwe
PHONE: (850) 245-9245

MEMORANDUM

DATE: March 22, 2010

TO: District School Superintendents and District Charter School Liaisons

FROM: Linda Champion

SUBJECT: Qualified School Construction Bond Program

The American Recovery and Reinvestment Act of 2009, established the Qualified School Construction Bond (QSCB) program. Florida received an allocation in the amount of \$81,038,000 for the 2010 calendar year. Should your application (Notice of Intent to Issue Bonds) be approved, the approval grants authority to issue bonds under the provisions of this program. Please carefully read the attached information regarding the program. At this time, large districts which received an allotment directly from the federal government are not eligible to apply.

General Information on the Qualified School Construction Bond (QSCB) Program

- QSCBs are financial instruments that provide a subsidy in the form of tax credits to a bank or other financial institution that holds the QSCBs. The approved QSCB program is one in which states or local governments are authorized to issue Qualified School Construction Bonds. Florida will allocate QSCB authority amounts to approved eligible district and charter school projects.
- The district, or charter school, will determine whether the purposes for which QSCBs are issued conform to state law regarding indebtedness; will work with the financial institution to issue the QSCBs; and will be responsible for repayment of the principal upon maturity. QSCBs are considered debt incurred by the district, or charter school, and must be repaid.

LINDA CHAMPION
DEPUTY COMMISSIONER, FINANCE AND OPERATIONS

Application Procedures and Deadline

Complete the attached application (Notice of Intent to Issue Bond), attach the required supporting documents, and return the information by May 28, 2010, to:

Cindy Greiwe
Florida Department of Education
325 W. Gaines Street
Suite 1054, Turlington Building
Tallahassee, Florida 32399-0400

This form can be downloaded from the Office of Educational Facilities' Web site at:
<http://www.fldoe.org/edfacil/oef/federalbond.asp>.

Allocation Procedure

The Department will form a committee to review the applications and distribute the bonding authority. Bonding authority will be allocated based on the quality of the proposals and criteria contained in the attached documents.

Requests must contain a minimum of \$1 million in projects per district. Please do not request more bonding authority than you can expect to repay or qualify for through a financial institution.

The total available state volume cap limitation will be divided between two pools, the school districts pool and the charter schools pool. The pools will be established based on the ratio of the number of charter schools divided by the number of students served, as compared to the total student population.

If you have additional questions, please call Cindy Greiwe at (850) 245-9245.

SB/cg

Attachments

cc: District Finance Officers
District Facilities Managers
Frances Haithcock, Chancellor of Public Schools
Michael Kooi, Executive Director, Office of Independent Education and Parental Choice