



AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Request for allocation of Qualified School Construction Bonds

QSCB

The Qualified School Construction Bond (QSCB) Program is a new tax credit program created by the American Recovery and Reinvestment Act (ARRA). This program provides credits, in lieu of interest to lenders who issue bonds to eligible school districts. Because the federal government provides for the “interest” payment, the district is only responsible for repayment of the bond principal. The federal government covers all of the interest in the form of tax credits on these bonds, resulting in potential savings up to 50 percent of the cost of these renovation and improvement projects. Since this program is for construction projects, the USD would be required to ensure contractors are following the Davis-Bacon Act concerning prevailing wages.

All school districts and school buildings are eligible regardless of size or poverty levels. The bond proceeds may be used to finance NEW construction, rehabilitation, repair of public school facilities, and the acquisition of land.

Please provide the following information:

Unified School District Name _____ USD No. _____

Address _____ City, State, Zip _____

Telephone No. of Contact Person _____ Fax Number _____

Superintendent Name _____

Description of Project: _____
(as approved by board) _____

Estimated date you plan to issue the QSCB bonds (mo/yr) _____

In accordance with provisions of state and federal laws and regulations governing Qualified School Construction Bonds (QSCB), request is hereby made for an allocation in the amount of \$ _____

Superintendent’s Signature _____ Date _____

Date approved by board: _____

Send to: KSDE, School Finance, Ste 356
Landon State Office Building
900 SW Jackson Street
Topeka, KS 66612-1212

For KSDE Use Only
Amount allocated: \$ _____
Date: _____
Signed: _____

PLEASE REVIEW CAREFULLY

prior to submitting an application for this Bond Authority

Notes

<p>1. Before submitting an application, be sure to visit with your Bond Advisor and Architect to compute and estimate your potential savings.</p>	
<p>2. If this is for a bond issue project, and you receive State Aid on your bond payments, make sure you take into consideration the loss of state aid on the interest payments when determining the savings to your district.</p>	
<p>3. Keep all QSCB bond revenue and expenditures in a separate fund so your district can keep appropriate accounting records.</p>	
<p>4. Make sure that all bidders and contractors follow the Davis Bacon Act concerning prevailing wages.</p>	
<p>5. If bids have already been accepted by the school district, and the bidders/contractors did not comply with the Davis Bacon Act when submitting their bid, it is most likely that your district would not qualify for QSCB bonds.</p>	
<p>6. School districts cannot pick and choose individual expenses within a bond project to avoid the Davis Bacon Act.</p>	
<p>7. School districts may apply QSCB bonds to a specific portion of a bond issue if it can easily be separated from the total project. As an example: if the bond issue was to build two different buildings, then the QSCB bonds could be applied to one of the building projects. Please consult your bond attorney on this provision.</p>	