

CENTENNIAL SCHOOL DISTRICT

SECTION: FINANCE

TITLE: POST-ISSUANCE
COMPLIANCE

ADOPTED: August 16, 2016

REVISED:

623. POST-ISSUANCE COMPLIANCE

Purpose

This Policy is designed to monitor post-issuance compliance of Obligations¹ issued by the District with applicable provisions of Rule 15c2-12, promulgated under the Securities Exchange Act of 1934, as amended. This Policy describes various procedures and systems designed to identify on a timely basis facts which may be relevant to demonstrating compliance with the requirements that must be satisfied subsequent to the issuance of Obligations in order that the District complies with its continuing disclosure undertakings.

The District recognizes that compliance with applicable provisions of Rule 15c2-12 is an on-going process, necessary during the entire term of the Obligations. Accordingly, the analysis of those facts and implementation of this Policy will require on-going monitoring and, likely, ongoing consultation with bond counsel and/or counsel to the District.

Financing Program

The District is authorized under the Pennsylvania Public School Code of 1949, as amended, and the Pennsylvania Local Government Unit Debt Act, 53 Pa. C.S. Chs. 80-82 to undertake the financing and refinancing of certain projects. Pursuant to such authority, the District has in the past issued and may in the future issue Obligations for the financing and refinancing of projects.

Policies and Procedures

The following policies and procedures are adopted for the monitoring of post-issuance compliance with the District’s continuing disclosure undertakings and Rule 15c2-12 in connection with Obligations issued by the District:

- A. Administration Designee. The District’s Chief Financial Officer (CFO) shall be responsible for undertaking post-issuance compliance by the District with the District’s continuing disclosure undertakings and Rule 15c2-12 with regard to Obligations issued by the District

¹ For purposes of this Policy, Obligations means obligations, which at the time of issuance thereof, were not exempt from the Rule and for which the School District executed a continuing disclosure undertaking.

pursuant to the Financing Program. The CFO shall be responsible for ensuring an adequate succession plan for transferring post-issuance compliance responsibility when changes in staff occur.

B. Disclosure in Preliminary Official Statements, Final Official Statements or other disclosure documents. Prior to the printing or posting of a preliminary official statement, a final official statement or other form of disclosure document, the CFO must review such document for accuracy with regard to information set forth therein concerning the District and shall specifically review the information set forth therein with regard to the District's compliance with its current continuing disclosure undertakings (if any) in order to determine that such information is correct in all material respects.

C. Closing Binder. Following the issuance of a specific issue of Obligations under the Financing Program, the CFO should obtain and store a closing binder and/or CD or other electronic copy of the relevant and customary transaction documents. The CFO shall also store and maintain a file with paper copies of all final official statements and all continuing disclosure undertakings.

D. EMMA Reporting. For each issuance of Obligations under the Financing Program, the CFO should confirm: (i) that the final official statement or disclosure document has been posted on the Municipal Security Rulemaking Board's Electronic Municipal Market Access system (EMMA); and (ii) if the Obligations are issued to refund other Obligations, notice of such an event is posted on EMMA.

The CFO shall establish and maintain a system so that at least thirty (30) days prior to the date when any annual financial information is required to be posted on EMMA, the CFO shall receive a reminder notice. The CFO shall then prepare the appropriate annual financial information required by the continuing disclosure undertaking to be posted on EMMA and to post the same in a timely manner. The CFO should confirm that the annual financial information has been posted on EMMA in accordance with Rule 15c2-12.

If a material event or a listed event, as defined in the District's continuing disclosure undertakings or Rule 15c2-12 occurs, the CFO shall prepare an appropriate notice to be posted on EMMA, as required by the terms of the continuing disclosure undertakings and Rule 15c2-12, and shall post the notice on EMMA. The CFO should confirm that the notice has been posted on EMMA in accordance with Rule 15c2-12.

The current list of material events and listed events are included in 623-AR-0. POST ISSUANCE COMPLIANCE – LISTED EVENTS AND MATERIAL EVENTS. It is understood that the AR be changed from time to time due to changes in Rule 15c2-12.

E. Continuing Disclosure Requirements. The CFO should monitor and maintain compliance by the District of its agreements in its continuing disclosure undertakings, to comply with all applicable requirements that must be satisfied subsequent to the issuance of the Obligations. The CFO shall be responsible for the posting of all information and notices, as appropriate,

required to be posted on EMMA in a timely manner. If the CFO believes that a material violation or a potential material violation of any such agreement has occurred, the CFO shall consult with bond counsel as to what action under Rule 15c2-12 is required, and if so, shall notify the Council of the District of such information. The District shall thereafter, upon advice of bond counsel, or counsel to the District, undertake any recommended action.

The CFO shall monitor any changes in Rule 15c2-12 and shall consult with bond counsel to the District regarding the need to amend this policy to comply with changes in Rule 15c2-12. The CFO shall also consult with bond counsel or counsel to the District, as and when the CFO deems it necessary, to make certain that the CFO has a working knowledge of Rule 15c2-12 which needs to be complied with by the District to maintain compliance with its continuing disclosure undertakings and Rule 15c2-12.

F. Record Retention. The CFO will coordinate procedures for record retention and review of such records. Records shall be maintained until all Obligations which financed or refinanced any portion of the Financing Program are retired or are no longer outstanding. Electronic media will be the preferred method for storage of all documents and other records maintained by the District.

G. Periodic Review. The CFO will review post-issuance compliance procedures and systems on a periodic basis, but not less than annually.

Manner of Submission

The documents, reports and notices required to be submitted pursuant to the Disclosure Policy shall be submitted through EMMA in an electronic format, and shall be accompanied by identifying information, in the manner prescribed by the Municipal Securities Rulemaking Board (MSRB), or in such other manner as is consistent with Rule 15c2-12. A description of such format and information as presently prescribed by the MSRB is included in 623-AR-1 MSRB PROCEDURES FOR SUBMISSION OF CONTINUING DISCLOSURE DOCUMENTS AND RELATED INFORMATION.

Further Policies and Procedures

The list of post-issuance compliance procedures included in 623-AR-1 MSRB PROCEDURES FOR SUBMISSION OF CONTINUING DISCLOSURE DOCUMENTS AND RELATED INFORMATION is not intended to be exhaustive. Further policies and procedures may be identified from time to time by a Board of School Directors in consultation with bond counsel and District counsel, which policies and procedures may or may not be reflected in this Policy.