

August 12, 2013

The Board of Directors of the Cedar Falls Community School District in the County of Black Hawk, State of Iowa, met in regular session pursuant to the laws and rules of said Board at the James L. Robinson Administrative Center, 1002 West First Street, Cedar Falls, Iowa, at 7:00 p.m. The meeting was called to order by the President and the roll being called there were present Deon Senchina in the chair, and the following named Directors: Jenny Leeper, Joyce Coil, Susan Lantz, David Williams and James Kenyon. Others in attendance were: Dr. Andrew Pattee, Superintendent, Douglas Nefzger, Director of Business Affairs, Dan Conrad, Director of Secondary Education, Pam Zeigler, Director of Elementary Education and Dr. Adrian Talbot, Director of Human Resources. Also in attendance: Sarah Eastman, Mackenzie Elmer, Deb Giarusso, Doug Shaw, Duane Hamilton, Liz Kressig, Floyd Winter and Dawn Ask Martin.

President Senchina called the meeting to order and reported that the business and action to be taken at tonight's meeting will be focused on student achievement.

Item No. 1 – Presentation to Cedar Falls Community Schools by Foundation Members:

President Senchina introduced Mr. Floyd Winter, President of the Cedar Falls Schools Foundation. Mr. Winter reviewed the mission of the Cedar Falls Schools Foundation, which is to provide additional funding to the school district for educational needs. Mr. Winter then presented a check to the Cedar Falls Community School District for \$8,000 to be used for the Virtual Reality Educational Pathfinders (VREP) program and \$10,000 to defray costs associated with sending staff to the Professional Learning Community professional development training conference in Minneapolis, Minnesota. President Senchina and the Board thanked Mr. Winter and the Foundation for all their efforts in providing additional funding for the school district.

Item No. 2 – Approval of the Following Consent Agenda Items:

Director Williams moved and Director Coil seconded the motion to approve the following items:

1. The agenda of the August 12, 2013, Board of Education meeting
2. Approval of the July 22, 2013 Board of Education minutes
3. Approval of the bills as presented for payment as reviewed by Director Jenny Leeper
4. Approval of Open enrollment requests
5. Approval of Human Resource report
6. Approval of Grandwood Program Agreement

Open Enrollment
August 12, 2013

Alyssa Hall	5th Grade
Current resident district:	Cedar Falls
District requested:	Waverly-Shell Rock
Effective date:	2013-2014 – C
Gabriana M Beck	2nd Grade
Current resident district:	Waterloo
District requested:	Cedar Falls
Effective date:	2013-2014 – C

Human Resources Report

August 13, 2012

****New Contracts - Recommended for Approval***

2012-13 School Year

Deepanee Samarakoon	North Cedar	First Grade	BA Step 3	\$37,483
Hannah Morgan	Cedar Heights	Third Grade	BA Step 3	\$37,285
Jaymie Odell	Hansen	Third Grade	BA Step 3	\$36,891

Directors voting in favor of the motion: Leeper, Kenyon, Coil, Williams, Kenyon, Lantz and Senchina. Those voting "no" none. Motion carried.

Item No. 3 – Secretary’s Monthly Financial Report

Mr. Nefzger reviewed with the Board the July 2013 fund balances for general, schoolhouse, student activity, and food service. President Senchina stated the report would be filed subject to audit.

Item No. 4 – Communications

None

Item No. 5 – Approval of Board Policy

Mr. Conrad reviewed the first of two readings of board policy 605.1 and Dr. Pattee and Mr. Nefzger reviewed the first of two readings of policies 808.1 and 808.1R. Director Lantz moved and Director Coil seconded the motion to approve the first of two readings of board policies 605.1, 808.1 and 808.1R. Directors voting in favor of the motion: Leeper, Coil, Kenyon, Williams, Lantz and Senchina. Those voting “no” none. Motion carried.

Policy Title: Requirements for Graduation Code No. 605.1

A total of 45 semester credits are necessary to fulfill the requirement for the regular diploma from the Cedar Falls High School. ~~A total of 40 semester credits are necessary to fulfill the requirements for the core diploma from Cedar Falls High School. high school graduation.~~

Students in grade 9 are required to earn a minimum of six (6) core area credits before being promoted to the 10th grade. Core area credits are defined as English, Mathematics, Social Studies and Science.

A credit is defined as the successful completion of one semester of an academic subject.

ACADEMIC REQUIREMENTS FOR GRADUATION – REGULAR DIPLOMA

Physical Education/Health	4.5 credits*
Science	6 credits
Mathematics	6 credits
English	8 credits
Social Studies	6 credits
Personal Economics	1 credit
Fine and/or Practical Arts	2 credits
<u>Electives</u>	<u>11.5 credits</u>
Total Credits needed for Regular Diploma	45 credits

GENERAL REQUIREMENTS FOR GRADUATION – REGULAR DIPLOMA

A total of 4 credits of physical education and .5 credit of Health are required for graduation. All students are required to enroll in physical education each semester except those exempted/disqualified by physical disabilities properly certified to by a physician and forwarded to the nurse prior to the beginning of each semester. *Physical education in grades 9-12 will be a graded course earning .50 credits each semester. Students in grade 10 will be required to enroll in one semester of physical education and one semester of physical education/health.

All credits will be counted towards graduation and will be calculated in a student’s grade point average. After the seventh week of a semester, a student dropping a course will receive a grade of “F” for the semester.

All students are required to carry a minimum of six academic subjects, or the equivalent, plus physical education each semester in high school. Exceptions to this because of special programs, such as work or tutoring, must be approved by the principal.

Students may audit a course for no credit and have it recorded on their transcript. This declaration must be made at the time of registration.

Students enrolled in another educational institution offering high school extension or correspondence courses may transfer a maximum of eight (8) credits towards graduation. Participation must be approved by the principal. ~~Alternative program students seeking make-up credits must have approval by the principal.~~

Students must be enrolled in Cedar Falls High School during their final semester in school in order to meet the requirements for graduation.

All exceptional or unusual circumstances concerning graduation must be evaluated by the high school principal and the superintendent of schools, **and may require approval of the board of education.**

Practical Arts and/or Fine Arts Requirement – Regular Diploma

Students must earn a total of two credits in the Fine Arts/Practical Arts areas. Students may earn two credits in one area or one credit in each area to satisfy this requirement. Elective courses in the following departments will satisfy the practical arts requirement: Business Education, Industrial Technology Education, Family and Consumer Sciences, and Cadet Teaching. Elective courses in the following departments will satisfy the fine arts requirement: Art, Music, and Speech.

Personal Economics Requirement – Regular Diploma

The personal economics requirement may be met by successfully completing one of the following courses in grades 9-12:

Consumer Economics (9th Grade)
Adult Living I or II
Math for Daily Living
Business Law
Introduction to Business
Economics
Personal Finance

Vocational Cooperative programs:
Office Education
Distributive Education
Food Service
Health Occupations
Trades and Industry

Social Studies Requirements – Regular Diploma

At least one of the two semester courses in social studies beyond tenth grade must be in the World Studies area. The following courses will satisfy this requirement:

Eastern Civilizations
Western Civilizations

World Geography
Developing Nations

Any other course that may be modified and/or added to the high school program of studies which meets the established criteria of emphasis as approved by the administration may be used to satisfy these course requirements.

CORE DIPLOMA PROGRAM

To request enrollment into the Cedar Falls High School Core Diploma Program, a student must be in their third year of high school and deemed to be credit deficient. A request to enroll in the program is to be made to the high school principal, associate principal, school counselor, or alternative program coordinator. The high school principal must give final approval for acceptance into the Core Diploma Program. Students accepted into the Core Diploma Program may complete coursework at the Cedar Falls High School and/or the Cedar Falls Alternative Program.

Upon acceptance, the student and their assigned school counselor will develop an Individualized Graduation Plan (IGP). The plan must be signed by the student and parent/guardian (if the student is under the age of 18), their school counselor, and the high school principal. The IGP will be used to monitor student progress towards meeting high school graduation requirements.

ACADEMIC REQUIREMENTS FOR GRADUATION – CORE DIPLOMA PROGRAM

Physical Education/Health	4.5 credits (.5 credits per semester)
Science	6 credits
Mathematics	6 credits
English	8 credits
Social Studies	6 credits
Personal Economics/Career Development/Service Learning	3 credits*
<u>Electives</u>	<u>6.5 credits</u>
Total Credits needed for Regular Diploma	40 credits

* Personal Economics/Career Development/Service Learning requirements may be met by successfully completing approved coursework identified as part of the Individual Graduation Plan (IGP).

~~Mid-Year Graduation~~ **EARLY GRADUATION**

Students who plan to graduate at the end of the first semester of their 12th grade year must complete application procedures on or before October 1 of their senior year. Exceptions must be approved by the building principal.

To be considered for ~~mid-year~~ **early graduation**, a student must have successfully completed all graduation requirements with the exception of the final semester of physical education. Parents and students are urged to analyze and discuss the possible advantages and disadvantages of early graduation. Every student is required to attend the high school for a minimum of five (5) semesters. Students approved for ~~mid-year~~ **early graduation** will have the final semester of physical education requirement waived.

No student will be allowed to graduate prior to the end of the first semester of their 12th grade year unless an exception has been approved by the Cedar Falls Board of Education.

TRANSFER CREDITS

Students transferring in to the Cedar Falls District must meet all established requirements to receive a diploma from Cedar Falls High School. The district retains the right to determine grade level placement and whether or not to accept credits earned from a student’s previous educational setting.

Transfer students in good standing at their previous school will be required to assume the course requirements of Cedar Falls High School, effective at the time of their transfer. However, all transfer students must meet the state requirements in U. S. History and American Government.

A. Only credits earned in a high school or high school program accredited by their state department of education will be accepted towards meeting the graduation requirements for Cedar Falls High School. Exceptions may be granted only through approval of the superintendent of schools or designee. In the event credit is accepted from a non-accredited educational program, neither numerical or letter grades received will be recorded on the student’s permanent transcript.

B. A student who transfers from a non-accredited educational program will only be eligible for honors and awards for the actual period of time enrolled at Cedar Falls High School, and will not be eligible for class ranking until they have been fully-enrolled for six (6) or more semesters.

Students currently enrolled in the Cedar Falls District wanting to take courses offered by another district or post secondary institution must obtain pre-approval for the course from the high school principal in order for the credit to be accepted towards meeting graduation requirements.

ACCELERATION

Any student enrolled in a 9-12 course prior to entering the 9th grade will receive high school credit upon successful completion of that course. Credit earned will apply towards graduation and grades earned will be calculated into the student's grade point average. This option only applies to qualifying students as defined by the district's *Guidelines to Accommodate Academically Advanced Students*. Credits earned for application are limited to core area courses (English, Mathematics, Science, Social Studies) and World Language courses.

Policy Title: Debt Management Code No. 808.1

The Board of Education seeks to maintain the highest possible credit ratings for all categories of short- and long-term debt that can be achieved without compromising the delivery of services and the achievement of adopted objectives. The Board recognizes that external economic, natural, or other events may from time to time affect the creditworthiness of its debt. Nevertheless, the Board is committed to ensuring that actions within their control are prudent.

Debt Limits

For general obligation debt, the school district's outstanding debt limit shall be no more than five percent (5%) of the actual value of property within the school district's boundaries, as prescribed the Iowa constitution and statutory restrictions.

For revenue debt, the school district's goal is to provide adequate debt service coverage of at least 1.20 times the annual debt service payments.

In accordance with Iowa law, the school district may not act as a conduit issuer or issue municipal securities to raise capital for revenue-generating projects where the funds generated are used by a third party ("conduit borrower") to make payments to investors.

PURPOSES AND USES OF DEBT

Capital Planning

To enhance creditworthiness and prudent financial management, the school district is committed to systematic capital planning, intergovernmental cooperation and coordination and long-term financial planning.

Capital Financing

The school district may issue long-term debt for capital projects as authorized by Iowa law, which include, but are not limited to, the costs of planning, design, land acquisition, buildings, permanent structures, attached fixtures or equipment, and movable pieces of equipment. Capitalized interest may be included in sizing any capital project debt issue. The types of debt instruments to be used by the school district include:

- General Obligation Bonds
- General Obligation Capital Loan Notes
- Bond Anticipation Notes
- Revenue Anticipation Notes
- School Infrastructure Sales, Services and Use Tax Revenue Bonds
- Lease Purchase Agreements, including Certificates of Participation

Working Capital Financing

The school district may issue debt for working capital for operations after cash flow analysis has determined that there is a mismatch between available cash and cash outflows. The school district shall strive to repay working capital debt by the end of the fiscal year in which the debt was incurred. A Working Capital Reserve may be included in sizing any working capital debt issue.

Refundings

Periodic reviews of all outstanding debt will be undertaken to determine if refunding opportunities exist. Refunding will be considered (within federal tax law restraints) if and when there is a net economic benefit of the refunding or if the refunding is otherwise in the best interests of the school district, such as to release restrictive bond covenants which affect the operations and management of the school district.

In general, advance refundings for economic savings will be undertaken when a net present value savings exceeds three percent of the refunded debt can be achieved. Current refundings, which produce a new present value savings of less than three percent will be considered on a case by case basis taking into consideration bond covenants and general conditions. Refundings with negative savings will not be considered unless there is a compelling objective for doing so.

DEBT STANDARDS AND STRUCTURE

Length of Debt

Debt will be structured for the shortest period consistent with a fair allocation of costs to current and future beneficiaries or users. Long-term debt will not be issued for periods exceeding the useful life or average useful lives of the project or projects to be financed. All debt issued will adhere to state and federal law regarding the length of time the debt may be outstanding.

Debt Structure

Debt will be structured to achieve the lowest possible net cost to the school district given market conditions, the urgency of the capital project, the type of debt being issued, and the nature and type of repayment source. To the extent possible, the school district will design the repayment of its overall debt to rapidly recapture its credit capacity for future use.

Generally, the school district will only issue fixed-rate debt. In very limited circumstances, the school district may issue variable rate debt, consistent with the limitations of Iowa law and upon a finding of the board that the use of fixed rate debt is not in the best interest of the school district and a statement of the reasons for the use of variable rate debt.

All debt may be structured using discount, par or premium coupons, and as serial or term bonds or notes, or any combination thereof, consistent with Iowa law. The school district should utilize the coupon structure that produces the lowest True Interest Cost (TIC) and meeting their financial ability of debt payment, taking into consideration the call option value of any callable maturities.

In a revenue debt, the school district will strive to structure their debt in sinking fund installments for each debt issue that achieves, as nearly as practicable, level debt service within an issue or overall debt service within a particular classification of debt.

Derivatives (including, but not limited to, interest rate swaps, caps, collars, corridors, ceiling and floor agreements, forward agreements, float agreements, or other similar financing arrangements), zero-coupon or capital appreciation bonds are not allowed to be issued consistent with State or Federal law.

Decision Analysis to Issue Debt

Whenever the Board of Education is contemplating the issuance of debt, information will be developed concerning the following four categories commonly used by rating agencies assessing the school district's credit worthiness.

Debt Analysis – Debt capacity analysis; purpose for which debt is proposed to be issued; debt structure; debt burden; debt history and trends; and adequacy of debt and capital planning.

Financial Analysis – Stability, diversity, and growth rates of tax or other revenue sources; trend in assessed valuation and collections; current budget trends; appraisal of past revenue and expenditure trends; history and long-term trends of revenues and expenditures; evidences of financial planning; adherence to GAAP; audit results; fund balance status and trends in operating and debt funds; financial monitoring systems and capabilities; and cash flow projections

Governmental and Administrative Analysis – Government organization structure; location of financial responsibilities and degree of control; adequacy of basic service provision; intergovernmental cooperation/conflict and extent of duplication; and overall planning efforts.

Economic Analysis – Geographic and location advantages; population and demographic characteristics; wealth indicators; types of employment, industry and occupation; housing characteristics; new construction; evidences of industrial decline; and trend of the economy.

DEBT ISSUANCE

Credit Enhancement

Credit enhancements (i.e., bond insurance, etc.) may be used, but only when the net debt service on the debt is reduced by more than the costs of the credit enhancement.

Costs and Fees

All costs and fees related to issuing the debt may be paid out of debt proceeds and allocated across all projects receiving proceeds of the debt issue.

Method of Sale

Generally, the District will strive to sell all debt a competitive bidding process. Bids will be awarded on the lowest TIC basis providing other bidding requirements are satisfied.

The school district may sell debt using a negotiated process in extraordinary circumstances when the complexity of the issue requires specialized expertise, when the negotiated sale would result in substantial savings in time or money, or when market conditions of school district credit are unusually volatile or uncertain.

Professional Service Providers

The school district will retain external bond counsel for all debt issues. All debt issued by the school district will include a written opinion by bond counsel affirming that the school district is authorized to issue the debt, stating that the school district has met all Iowa constitutional and statutory requirements necessary for issuance and determining the debt's federal income tax status. The bond counsel retained must have comprehensive municipal debt experience and a thorough understanding of Iowa and federal tax law as it relates to the issuance of the particular debt.

The school district will retain an independent financial advisor. The financial advisor will be responsible for structuring and preparing all offering documents for each debt issue. The financial advisor retained will have comprehensive municipal debt experience, experience with diverse financial structuring and pricing of municipal securities.

The treasurer shall have the authority to periodically select other service providers (e.g., escrow agents, verification agents, trustees, arbitrage consultants, rebate specialist, etc.) as necessary to meet legal requirements and minimize net debt costs. These services can include debt restructuring services and security or escrow purchases.

Compensation for bond counsel, financial advisor and other service providers will be as economical as possible and consistent with industry standards for the desired qualification levels.

DEBT MANAGEMENT

Investment of Debt Proceeds

The school district shall invest all proceeds received from the issuance of debt separate from the school district's consolidated cash pool unless otherwise specified by the authorizing bond resolution or trust indenture. Investments will be consistent with those authorized by Iowa law and the school district's Investment Policy to maintain safety of principal and liquidity of the funds.

Arbitrage and Record Keeping Compliance

The Director of Business Affairs shall maintain a system of record keeping, reporting and compliance procedures with respect to all federal tax requirements which are currently, or may become applicable, through the lifetime of all tax-exempt or tax credit bonds.

Federal tax compliance, record-keeping reporting and compliance procedures shall include, but not be limited to:

- 1) Post-issuance compliance procedures (including proper use of proceeds, timely expenditure of proceeds, proper use of bond financed property, yield restriction and rebate, and timely return filing);
- 2) proper maintenance of records to support federal tax compliance;
- 3) investments and arbitrage compliance;
- 4) investments and arbitrage compliance;
- 5) private business use; and
- 6) designation of primary responsibilities for federal tax compliance of all bond financings.

Financial Disclosure

The school district is committed to full and complete financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, other levels of government, and the general public to share comprehensible and accurate financial information. The school district is dedicated to meeting secondary disclosure requirements on a timely and comprehensive basis, as promulgated by the Securities and Exchange Commission.

The Official Statements accompanying debt issues, Annual Audits, and Continuing Disclosure statements will meet the standards articulated by the Municipal Securities Rulemaking Board (MSRB), through the Electronic Municipal Market Access (EMMA) system, the Government Accounting Standards Board (GASB), the Securities and Exchange Commission (SEC), Generally Accepted Accounting Principles (GAAP) and the Internal Revenue Service (IRS). The treasurer shall be responsible for ongoing debt disclosure as required by any Continuing Disclosure Certificate for any debt issue and for maintain compliance with disclosure standards promulgated by state and federal regulatory bodies.

Policy Title: *Post-Issuance Compliance for Tax-Exempt Obligations* Code No. *808.1R*

I. Compliance Coordinator

The Director of Business Affairs (Coordinator) shall be responsible for monitoring post-issuance compliance, and

- a) The Coordinator will maintain a copy of the transcript of proceedings in connection with the issuance of any tax-exempt obligations. Coordinator will obtain such records as are necessary to meet the requirements of this policy.
- b) The Coordinator shall consult with bond counsel, a rebate consultant, financial advisor, IRS publications and such other resources as are necessary to understand and meet the requirements of this policy.
- c) Training and education of Coordinator will be sought and implemented upon the occurrence of new developments and upon the hiring of new personnel to implement this policy.

II. Financing Transcripts

The Coordinator shall confirm the proper filing of an 8038 Series return, and maintain a transcript of proceedings for all tax-exempt obligations issued by the District, including but not limited to all tax-exempt bonds, notes and lease-purchase contracts. Each transcript shall be maintained until eleven (11) years after the tax-exempt obligation it documents has been retired. Said transcript shall include, at a minimum:

- a) Form 8038s;
- b) minutes, resolutions, and certificates;
- c) certifications of issue price from the underwriter;
- d) formal elections required by the IRS;
- e) trustee statements;
- f) records of refunded bonds, if applicable;
- g) correspondence relating to bond financings; and
- h) reports of any IRS examinations for bond financings.

III. Proper Use of Proceeds

The Coordinator shall review the resolution authorizing issuance for each tax-exempt obligation issued by the District, and that the District shall:

- a) obtain a computation of the yield on such issue from the District's financial advisor;
- b) create a separate Project Fund (with as many sub-funds as shall be necessary to allocate proceeds among the projects being funded by the issue) into which the proceeds of issue shall be deposited;
- c) review all requisitions, draw schedules, draw requests, invoices and bills requesting payment from the Project Fund;
- d) determine whether payment from the Project Fund is appropriate, and if so, make payment from the Project Fund (and appropriate sub-fund if applicable);
- e) maintain records of the payment requests and corresponding records showing payment;
- f) maintain records showing the earnings on, and investment of, the Project Fund;
- g) ensure that all investments acquired with proceeds are purchased at fair market value;
- h) identify bond proceeds or applicable debt service allocations that must be invested with a yield-restriction and monitor the investments of any yield-restricted funds to ensure that the yield on such investments does not exceed the yield to which such investments are restricted;
- i) maintain records related to any investment contracts, credit enhancement transactions, and the bidding of financial products related to the proceeds;

IV. Timely Expenditure and Arbitrage/Rebate Compliance

The Coordinator shall review the Tax-Exemption Certificate (or equivalent) for each tax-exempt obligation issued by the District and the expenditure records provided in Section 2 of this policy, above, and shall:

- a) monitor and ensure that proceeds of each such issue are spent within the temporary period set forth in such certificate;
- b) if the District does not meet the "small issuer" exception for said obligation, monitor and ensure that the proceeds are spent in accordance with one or more of the applicable exceptions to rebate as set forth in such certificate;
- c) not less than 60 days prior to a required expenditure date confer with bond counsel and a rebate consultant if the District will fail to meet the applicable temporary period or rebate exception expenditure requirements of the Tax Exemption Certificate; and
- d) in the event the District fails to meet a temporary period or rebate exception:
 - i. procure a timely computation of any rebate liability and, if rebate is due, file a Form 8038-T and arrange for payment of such rebate liability;
 - ii. arrange for timely computation and payment of "yield reduction payments" (as such term is defined in the Code and Treasury Regulations), if applicable.

V. Proper Use of Bond Financed Assets

The Coordinator shall:

- a) maintain appropriate records and a list of all bond financed assets. Such records shall include the actual amount of proceeds (including investment earnings) spent on each of the bond financed assets;

- b) with respect to each bond financed asset, the Coordinator will monitor and confer with bond counsel with respect to all proposed:
 - i. management contracts,
 - ii. service agreements,
 - iii. research contracts,
 - iv. naming rights contracts,
 - v. leases or sub-leases,
 - vi. joint venture, limited liability or partnership arrangements,
 - vii. sale of property; or
 - viii. any other change in use of such asset;
- c) maintain a copy of the proposed agreement, contract, lease or arrangement, together with the response by bond counsel with respect to said proposal for at least three (3) years after retirement of all tax-exempt obligations issued to fund all or any portion of bond financed assets; and
- d) In the event the District takes an action with respect to a bond financed asset, which causes the private business tests or private loan financing test to be met, the Coordinator shall contact bond counsel and ensure timely remedial action under IRS Regulation Sections 1.141-12.

VI. General Project Records

For each project financed with tax-exempt obligations, the Coordinator shall maintain, until three (3) years after retirement of the tax-exempt obligations or obligations issued to refund those obligations, the following:

- a) appraisals, demand surveys or feasibility studies,
- b) applications, approvals and other documentation of grants,
- c) depreciation schedules,
- d) contracts respecting the project.

VII. Advance Refundings

The Coordinator shall be responsible for the following current, post issuance and record retention procedures with respect to advance refunding bonds:

- a) Identify and select bonds to be advance refunded with advice from internal financial personnel, and a financial advisor;
- b) The Coordinator shall identify, with advice from the financial advisor and bond counsel, any possible federal tax compliance issues prior to structuring any advance refunding;
- c) The Coordinator shall review the structure with the input of the financial advisor and bond counsel, of advance refunding issues prior to the issuance to ensure (i) that the proposed refunding is permitted pursuant to applicable federal tax requirements if there has been a prior refunding of the original bond issue; (ii) that the proposed issuance complies with federal income tax requirements which might impose restrictions on the redemption date of the refunded bonds; (iii) that the proposed issuance complies with federal income tax requirements which allow for the proceeds and replacement proceeds of an issue to be invested temporarily in higher yielding investments without causing the advance refunding bonds to become "arbitrage bonds"; and (iv) that the proposed issuance will not result in the issuer's exploitation of the difference between tax exempt and taxable interest rates to obtain a financial advantage nor overburden the tax exempt market in a way that might be considered an abusive transaction for federal tax purposes.
- d) The Coordinator shall collect and review data related to arbitrage yield restriction and rebate requirements for advance refunding bonds. To ensure such compliance, the Coordinator shall engage a rebate consultant to prepare a verification report in connection with the advance refunding issuance. Said report shall ensure said requirements are satisfied.

- e) The Coordinator shall, whenever possible, purchase SLGS to size each advance refunding escrow. The financial advisor shall be included in the process of subscribing SLGS. To the extent SLGS are not available for purchase, the Coordinator shall, in consultation with bond counsel and the financial advisor, comply with IRS regulations.
- f) To the extent as issuer elects to the purchase a guaranteed investment contract, the Coordinator shall ensure, after input from bond counsel, compliance with any bidding requirements set forth by the IRS regulations.
- g) In determining the issue price for any advance refunding issuance, the Coordinator shall obtain and retain issue price certification by the purchasing underwriter at closing.
- h) After the issuance of an advance refunding issue, the Coordinator shall ensure timely identification of violations of any federal tax requirements and engage bond counsel in attempt to remediate same in accordance with IRS regulations.

VIII. Continuing Disclosure

The Coordinator shall assure compliance with each continuing disclosure certificate and annually, per continuing disclosure agreements, file audited annual financial statements and other information required by each continuing disclosure agreement. The Coordinator will monitor material events as described in each continuing disclosure agreement and assure compliance with material event disclosure. Events to be reported shall be reported promptly, but in no event not later than ten (10) Business Days after the day of the occurrence of the event. Currently, such notice shall be given in the event of:

- a) Principal and interest payment delinquencies;
- b) Non-payment related defaults, if material;
- c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- d) Unscheduled draws on credit enhancements relating to the bonds reflecting financial difficulties;
- e) Substitution of credit or liquidity providers, or their failure to perform;
- f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the bonds, or material events affecting the tax-exempt status of the bonds;
- g) Modifications to rights of Holders of the Bonds, if material;
- h) Bond calls (excluding sinking fund mandatory redemptions), if material, and tender offers;
- i) Defeasances of the bonds;
- j) Release, substitution, or sale of property securing repayment of the bonds, if material;
- k) Rating changes on the bonds;
- l) Bankruptcy, insolvency, receivership or similar event of the Issuer;
- m) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- n) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

Item No. 6– 2013-2014 Property Insurance Report

Mr. Nefzger reviewed the liability, property, vehicle, commercial crime, and workers compensation insurance coverage for the 2013-2014 school year. Mr. Nefzger reported the District's workers compensation insurance premium dropped again from the previous year. The district's modification factor decreased from 0.71 to 0.67.

Item No. 7– 2013-2014 Board Goals

Director Coil reviewed the committee recommendations for the Cedar Falls Community School District Board of Education goals for the 2013-2014 school year. The committee consisting of Directors Williams, Coil and Kenyon recommended the following goals for the 2013-2014 school year:

1. The Board will undertake a culture of learning and participate in the following:
 - a. Team building activities
 - b. Iowa School Board training
 - c. Take the DISC assessment and training
 - d. Reach out to PTO's, PTA's and service clubs to discuss school related items
2. The Board will "model learning" by participating together as a board team and sharing individual activities with fellow board members, including reading the book "Cultures Built to Last: Systematic PLC's at Work" by Richard DuFour and Michael Fullan.
3. The Board will continue to build support and awareness of the PLC process.
4. Decide how best to meet the District's facility needs:

The Board will set clear expectations and will work to create a 10-year Master Plan for facilities in the Cedar Falls Community School District
5. The Board will set up a cycle of visiting schools with students present.

With a specific goal that each Board member will visit buildings at least three times per year in a group of no more than three members and the Superintendent on a rotating basis.
6. The Board sets clear expectations and expects to have a technology plan in place by December to give greater access to all students. The plan will include: Sustainability, builds upon best practices, systematic in nature and includes protocols for training, expectations for students and term planning.
7. The Board sets clear expectations and expects to have a study on World Language completed by March/April 2014. The plan will include: Sustainability, builds upon best practices, systematic in nature and includes protocols for training, expectations for students and term planning.

After discussion Director Lantz moved and Director Coil seconded the motion to approve the 2013-2014 board goals as presented. Directors voting in favor of the motion: Leeper, Coil, Kenyon, Williams, Lantz and Senchina. Those voting "no" none. Motion carried.

Item No. 8– 2013-2014 Superintendent Goals

Superintendent Pattee reviewed the following superintendent goals for the 2013-2014 school year.

- The Superintendent will develop positive relationships within the school and community.
- Develop deeper understanding of current research on the change process and effective leadership strategies including sustaining and supporting the PLC process.
- The Superintendent will have a technology plan in place by December to give greater access to students which:
 - Is sustainable
 - Builds upon best practices
 - Systemic in nature
 - Includes protocols for training, expectations for students, and long term planning
- The superintendent will work with our facility master planner, internal staff, and other constituent groups to create a 10 year master plan for facilities in the Cedar Falls Community School District.

Director Coil moved and Director Kenyon seconded the motion to approve the 2013-2014 Superintendent goals as presented. Directors voting in favor of the motion: Leeper, Coil, Kenyon, Williams, Lantz and Senchina. Those voting "no" none. Motion carried.

Item No. 9- Discussion Topic: Facility Master Planner Questions

Dr. Pattee distributed information received at the administrator master planning meeting that was held on July 31, 2013. Dr. Pattee noted the master planner had spent the day before the meeting touring all the school facilities in the District. Dr. Pattee reiterated some of the questions that were asked at the administrator meeting held on July 31, 2013. Those questions include:

- What is unique about Cedar Falls Community Schools?
- What is learning like in Cedar Falls?
- What are your educational goals?
- What skills do you want to instill in Cedar Falls students?
- Is there anything about the current facilities that inhibits your educational goals?
- What do you think should change about the facilities to better foster learning?

A thoughtful discussion was held by Board members concerning the questions asked.

Item No. 10 - Superintendent's Report

Dr. Pattee briefly reviewed the following:

1. All school welcome that took place earlier today.
2. Set August 20th special board meeting at 5:00 p.m.
3. Update on graduating class of 2013
4. August 26, 2013 board meeting will begin at Southdale Elementary at 6:30 p.m.

Item No. 11 – Questions, Comments and Concerns

None

Item No. 12 – Adjournment

Director Kenyon moved and Director Lantz seconded the motion to adjourn. Directors voting in favor of the motion: Williams, Coil, Leeper, Senchina, Lantz, and Kenyon. Those voting “no” none. Motion carried.

The meeting was adjourned at 8:22 p.m.

Secretary

President