

**American Recovery Reinvestment Act
General Bond Program Guidelines**

	Qualified Zone Academy Bond	Qualified School Construction Bond	Clean Renewable Energy Bond	Build America Bonds (Subsidy Payment)	Build America Bonds (Tax Credit)
Purpose	Modernization and Equipment	Repair, Rehabilitation, New Construction, Land Acquisition	Renewable Energy Projects	Capital Expenditures	Capital Expenditures, Working Capital, Refinancing
Administering Agency	California Department of Education	California Department of Education	Internal Revenue Service	Self-Designated	Self-Designated
Application Due Date	Open Enrollment	August 25, 2009	August 4, 2009 (Next Opening TBA)	Expires December 31, 2010	Expires December 31, 2010
Maximum Amount	\$5 million per Academy	\$25 million	No Limit	No Limit	No Limit
Term	Set by Treasury (up to 14-16 years)	Set by Treasury (up to 14-16 years)	Set by Treasury (up to 14-16 years)	No Limit	No Limit
Tax Credit Rate	7.1% (As of 7/15/2009)	7.1% (As of 7/15/2009)	4.97% (As of 7/15/2009)	35% Interest Subsidy Payment to Issuer	35% Tax Credit to Investor
Effective Borrowing Rate	0% to 2%	0% to 2%	0% to 4%	Approximately 0.50% less than tax-exempt bonds	Unknown
Interest on Permitted Sinking Fund	Maximum 4.71% (As of 7/15/2009)	Maximum 4.71% (As of 7/15/2009)	Maximum 4.71% (As of 7/15/2009)	Arbitrage Yield	Arbitrage Yield

Limitations					
Industry Partner (Match and Participation)	Yes	No	No	No	No
Free or Reduced Lunch Requirement	Yes	No	No	No	No
Level or Deferred Debt Service	Yes	Yes	No	No	No
Capitalized Interest	Not Permitted	Not Permitted	Permitted	Limited to construction	Limited to construction
Reserve Fund	Not Permitted	Not Permitted	Permitted	Permitted if reasonable	Permitted if reasonable
Costs of Issuance	2% of Bond Amount	2% of Bond Amount	5% of Bond Amount	2% of Bond Amount	n/a
Spend Down Requirement	Within 3 Years (10% first 6 months)	Within 3 Years (10% first 6 months)	Within 5 Years (10% first 6 months)	Within 3 Years (10% first 6 months)	Within 3 Years (10% first 6 months)
Level of Difficulty in Finding Investors	Possibly difficult based on size or structure	Possibly difficult based on size or structure	Possibly difficult based on size or structure	Not difficult	Unknown
District Must File a Form on Payment Dates	n/a	n/a	n/a	Yes	n/a