



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF EDUCATION

September 21, 2016

Mr. James Evers
Director
Warren County Career Center
347 East Fifth Avenue
Warren, PA 16365

Re: 2015 Qualified Zone Academy Bond Allocation

Dear Mr. Evers:

I am pleased to inform you that Warren County Career Center has been granted an allocation of **\$5,000,000** from the Qualified Zone Academy Bond (QZAB) Program.

This allocation represents \$5,000,000 from the 2015 federal allocation. These funds are to be utilized for qualified work at Warren County Career Center.

The school district must be willing to authorize a general obligation note with a maturity structure consistent with program requirements. It must settle the full amount of the allocation at the local school district level. Bonds for projects that meet the qualifiers and that use the 2015 QZAB allocation must be issued by **December 31, 2017**.

A copy of the information on the bond financing that is provided to investors must be submitted to the Division of Budget and School Facilities within 15 days of issuance of the QZABs. All bond-related and expenditure documents related to this program should be retained for future auditing purposes. If the school district plans to seek state reimbursement through the PlanCon process, QZAB financing costs and revenue sources must be reported on PlanCon Part D, "Project Accounting Based on Estimates," and/or on PlanCon Part G, "Project Accounting Based on Bids."

Please note these Internal Revenue Service requirements:

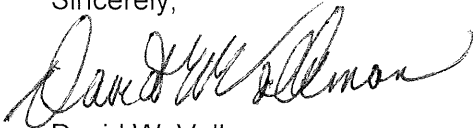
- Contract must be in place with a third party to spend down at least 10 percent of the bond proceeds within six months after issuance.
- 100 percent of the proceeds must be spent within three years of the bond issuance.
- QZAB proceeds are subject to arbitrage rules.
- Issuers are subject to IRS reporting requirements.
- The applicable maximum maturity, the discount rate for determining the maturity, and QZAB credit rate are published for that date by the Bureau of Public Debt on its internet site for State and Local Government Series securities at: <https://www.treasurydirect.gov>.

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Awardees must confirm their acceptance of a QZAB allocation in the form of a school board resolution that is received in the office of the Division of Budget and School Facilities by **September 30, 2016**. Scanned documents may be sent to ra-schoolfacilities@pa.gov, or by mail to Bureau of Budget and Fiscal Management, 333 Market Street, Harrisburg, PA 17126.

If you have any questions, please contact the Division of Budget and School Facilities at 717.787.5993 or at ra-schoolfacilities@pa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "David W. Volkman". The signature is fluid and cursive, with the first name "David" being the most prominent.

David W. Volkman
Executive Deputy Secretary

cc: Warren County Career Center QZAB File 2015
Warren County Career Center File