



# PUBLIC SCHOOLS OF NORTH CAROLINA

STATE BOARD OF EDUCATION :: Howard N. Lee, *Chairman*

WWW.NCPUBLICSCHOOLS.ORG

DEPARTMENT OF PUBLIC INSTRUCTION :: Janice O. Davis, *Interim Officer*

## MEMORANDUM

TO: Public School Superintendents  
Chairs of County Boards of Commissioners

FROM: Dr. Benjamin J. Matthews  
Director, School Support

DATE: October 9, 2009

SUBJECT: Qualified School Construction Bond Issuance Extension

It has come to our attention that many LEAs have had difficulty in securing a lender for these bonds. To date on a nationwide basis, the bonds have been purchased by only a handful of buyers, and none by North Carolina banks. With the tight deadlines and lack of buyers available, the Superintendents Bond Advisory Council has decided to, in essence, grant extensions to those LEAs who are actively seeking buyers and working towards bond issuance.

The federal law states that all 2009 allocations not issued in 2009 will be returned to the state for re-allocation. This extension will allow the state to take each LEA's 2009 allocation and re-allocate this same bonding authority in the same amount to each LEA in 2010. This will allow each LEA to continue, without delay, the process of planning for bond issuance and construction of the projects they already have approved and without jeopardizing their potential bond funds

Any LEA that is actively in the process of issuing bonds that may not make the December 31<sup>st</sup> deadline should send a letter to School Planning that states they are in the bond issuing process and expect to be able to issue the bonds in 2010. This way School Planning can identify these bonding authorities which will be re-allocated in 2010 to be issued by December 31, 2010.

We are expecting another federal allocation for QSCBs in 2010. That new allocation will have a separate application process. Please understand that those 2010 allocations will not be allocated in the same manner that the 2009 allocations were carried out, so each LEAs allocation is likely to be different in 2010.

::: **DIVISION OF SCHOOL SUPPORT**

::: BENJAMIN J. MATTHEWS, DIRECTOR :: EMAIL [bmatthew@dpi.state.nc.us](mailto:bmatthew@dpi.state.nc.us)

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Questions may be directed to Mary Gruebnaue, School Planning at (919) 807-3556.  
Letters should be sent to:

QSCB I  
School Planning Section  
North Carolina Department of Public Instruction  
6319 Mail Service Center  
Raleigh NC 27699-6319

BJM/mkg

CC: LEA Finance Directors  
County Finance Directors  
LEA Maintenance Directors

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