

INTERNAL CONTROL PROCEDURES

Internal Control Checklist for Bond Requirements

Part 1. Control Environment:

Task/Deliverable	Completed? (= Yes)	Comments/Remarks
1. Do you have a Compliance Officer? (Identify a Compliance Officer or establish a compliance team to verify internal controls and bond requirements.)	Yes	John Thompson, Director, Fiscal Services
2. Compliance Officer and compliance team members have participated in training on internal control and bond administration requirements.	Yes	Various training attended sponsored by CDIAC, ACBO & LACOE as well as training sessions and discussions with consultants (underwriters, bond counsel, tax attorneys, financial advisors, dissemination agent).
d. Continuing Disclosure Agreement	Yes	Maintained in bond document binders and CDs.
4. Adopt a debt policy.	Yes	Debt policy and related Administrative Regulations, and procedures are maintained (pending board approval).

Task/Deliverable	Completed? (= Yes)	Comments/Remarks
Control Activities for Legal and Financial Requirements		
1. Retain bond counsel and a financial advisory firm to confirm legal requirements of debt sales (new issues and refunding transactions) are met, including but not limited to:	Yes	Bond Counsel: Nixon Peabody Financial Advisor: Fieldman Rolapp
Receive copies of approvals, authorizations and controlling bond documents (official bond transcripts) and maintain in a safe, secure but accessible location.	Yes	Maintained in bond document b

Task/Deliverable	Completed? (= Yes)	Comments/Remarks
Other Control Activities:		
1. Confirm compliance with tax certificate covenants, <i>i.e.</i> , post-issuance tax compliance requirements for tax-exempt bonds. (For detailed information on tax compliance for tax-exempt bonds refer to the IRS Compliance Guide at www.irs.gov/pub/irs-pdf/p4079.pdf) Do you have an arbitrage rebate consultant? (Consult with arbitrage rebate consultant and/or	Yes	Pursuant to IRS guidelines, we work with bond counsel and tax attorneys to comply with post-issuance federal tax rules both at the time bonds are issued and throughout the term of the bonds.

Task/Deliverable

Completed?
(= Yes)