

Management Support

Construction Financing

The Board will attempt to add moneys to the capital projects fund regularly in such amounts as are available and appropriate to the district's need as projected by the facilities master plan or as otherwise determined by the Board. Money in that fund which is not immediately needed may be invested in those securities permitted by law that will provide maximum return to the fund. In addition to that money, the Board may consider non-voter approved debt within statutory limits, or the Board may seek authority from district voters to issue bonds (unlimited tax general obligations) or the Board may seek authority from district voters to levy a capital levy for school construction, renovation or modernization when specific projects are anticipated. The Board may also seek matching funds from the Office of the Superintendent of Public Instruction (OSPI) to the maximum extent available, as well as any federal funds that may be available.

State School Construction Funds

Immediately after the Board has approved the initiation of a construction, renovation or modernization project, the Superintendent or designee will notify OSPI of the Board's intent. All studies, notices and other requirements established by the OSPI as conditions for eligibility for state construction grants will be completed by the Superintendent or designee.

Bonds

If the Board determines that there is insufficient money in the capital projects fund for a construction, renovation or modernization project, and if the district's limit on bonded indebtedness has not been reached, the Board may authorize an election to seek the approval of voters to issue bonds (unlimited tax general obligation) in the amount needed for the project and/or the Board may consider non-voter approved debt within statutory limits.

The legal requirements for bond elections and subsequent issuance and redemption of bonds will be met. The resolution adopted by the Board calling for the bond election will specify the purposes of the bond, including the specific buildings to be constructed or remodeled, and any other purposes authorized in RCW 28A.530.010. The Board resolution will also describe the specific purposes the Board anticipates for using any state financing assistance, if any. If circumstances alter the purposes for which the Board believes it is in the best interest of the district to use the state funds or those raised through the bond, the Board will conduct a public hearing to consider the circumstances and to receive public testimony. At a meeting subsequent to the public hearing, the Board may either amend its original resolution or adopt a new one describing the specific purposes to which the state and/or bond funds will be put.

Upon the sale of bonds duly authorized as prescribed by law, the proceeds will be credited by the county treasurer to the appropriate fund of the district.

Notice of intent to apply for state school construction funds will be submitted to the OSPI prior to submitting a bond proposal to district voters, unless otherwise determined by the Board.

Legal References:	RCW	28A.320.310	Investment of idle building funds—Restrictions
	RCW	28A.320.320	Investment of funds of District
	RCW	28A.525.020	Duties of Superintendent of Public Instruction
	RCW	28A.525.080	Federal grants for school plant facilities—Rules
	RCW	28A.530.010	District Bonds for Land, Buildings, and Equipment
	RCW	28A.530-030	Disposition of proceeds
			- Capital projects fund
	RCW	28A.530.080	Additional authority to contract indebtedness –
			Notice
	RCW	39.36.020	Limitation of indebtedness prescribed
	Ch.	39.46 RCW	Bonds-Other Miscellaneous Provisions- Registration
	WAC	392-123-180	Bond Proceeds

Classification: Encouraged

Adoption Date: May 13, 1998

Revised Date: August 12, 2020