

Dear AASA Member:

If you are like most school system leaders during these tough economic times, your district is facing severe budget shortfalls, with little or no funding to pay for improving your school facilities (renovation), energy, technology, curriculum and teacher training.

The purpose of this toolkit is to connect your school district to cost-effective financing for the above uses.

States and local governments typically finance public projects by selling tax-exempt bonds, which offer interest payments that are lower than conventional rates because the interest is tax-free. This toolkit will bring you up to speed on a tax-credit bond program created by the U.S. Congress in 1998.

- Qualified Zone Academy Bonds can be used for any of the above uses. Currently, about \$1 billion in zero interest, 20-year funds are available. You can apply for an allocation at your state education department. See www.qzab.org for state contacts, state allocations and other QZAB details.

While this bond program offers \$1 billion for schools in the above uses, some districts are facing greater difficulty in successfully issuing these bonds. The good news for school districts is that AASA has partnered with the nonprofit National Education Foundation to help your district fulfill the two federal QZAB mandates, namely 10 percent match donation and QZAB Academy.

As the national leader in QZAB, working closely with the U.S. Department of Education, NEF and its academy partner, the State University of New York can help you improve your STEM+ test scores. NEF can also help reduce the cost of QZAB issuance and even make the QZAB into a grant.

By working with NEF, you can take full advantage of this tax-credit bond, which will allow you to build more for less and improve your facilities, energy, technology, curriculum and teacher training.

We encourage you to read the materials included in this toolkit. If you have any questions, please contact Dr. Art Stellar, an AASA life member and NEF vice president at 828-764-1785 or astellar@nefuniversity.org.

Sincerely,

Daniel A. Domenech
AASA Executive Director