

POLICY 3230  
BORROWING, BONDS AND PROMISSORY NOTES

Borrowing in the name of the School District shall be made in accordance with state law.

Bonds and promissory notes shall be issued to secure the most favorable loan for the District. Payment of bonds for both principal and interest, shall be handled by a designated paying agent. Debt service payments shall be scheduled in the most advantageous manner to the District.

LEGAL REF.: Wisconsin Statutes

Chapter 67	[Borrowing and bonds]
Sections 120.10(10)	[Annual meeting power; debt service fund]
120.10(10m)	[Annual meeting power; school capital expansion fund]
120.115	[Report on debt service]
120.13(29)	[Board power; borrowing]

CROSS REF.: 3110 Annual Operating Budget  
3240 Investments  
7220 Financing Capitalization

ADMINISTRATIVE REGULATIONS: None

AFFIRMED IN PART: March 26, 1991  
April 9, 1991

REVISED: October 28, 2003  
December 18, 2007  
September 25, 2012

RULE 3230

BORROWING, BONDS AND PROMISSORY NOTES

The Superintendent of Schools may recommend that the School Board borrow funds to meet expenses until state aids or tax monies are available to purchase, erect or improve school buildings, acquire sites, equip school buildings, refund indebtedness, meet contracted obligations and for other purposes. The Superintendent and/or designee may recommend to the Board that such loans may be obtained in the form of short-term promissory notes, long-term promissory notes and bonds. School District debt limits shall be governed by state law.

Bonds – The District shall attempt to obtain the lowest possible interest rates and maximum economic returns on bonds through competitive bids or negotiations. The Chief Financial Officer shall select bonding attorneys for legal advice and assistance for the entire period of bond approval and issuance consistent with Board policies.

The Chief Financial Officer shall be responsible for recommending the designated paying agent for bonds and for recommending debt service payments.

- a. The designation of paying agent may be specifically made in the bond prospectus or left to the discretion of the successful bidder.
- b. The disbursement of funds from a bond issue will be limited to a period ending one year prior to the last principal payment on that particular bond issue. At the end of the period, all remaining funds in the bond issue shall be placed in the sinking fund for payment of principal and interest on that bond issue.