

INFORMATION ITEM

Date: August 26, 2019

To: Kari Cremascoli, Ph.D.
Superintendent

From: Ellen Crispino
Business Manager/CSBO

Subject: Annual Tax Compliance Notification

BACKGROUND

The District adopted a record-keeping policy and resolution on April 23, 2012 to monitor tax compliance requirements related to the tax-exempt status of outstanding bonds. Adopting, maintaining and complying with standard record keeping practices is needed to maintain tax-exempt status. This system establishes due diligence practices to maintain records in the event that the Internal Revenue Service (IRS) contacts the district. The IRS has an active audit program and regularly audits tax-exempt bond issues.

RECOMMENDATIONS

Annually the business manager will review the district's contracts and records to assure the tax advantaged obligations comply with the applicable federal tax requirements. The post-issuance tax compliance report is presented annually at the August Board of Education meeting in conjunction with the District's annual budget.

Attachment

**Recommended for presentation
to the Board of Education**



**Kari Cremascoli, Ph.D.
Superintendent**

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

POST-ISSUANCE TAX COMPLIANCE REPORT

To: Board of Education of School District Number 39, Cook County, Illinois

Pursuant to my responsibilities as the Compliance Officer as set forth in a Bond Record Keeping Resolution (the “*Resolution*”) adopted by the Board of Education (the “*Board*”) of School District Number 39, Cook County, Illinois (the “*District*”), on the 23rd day of April, 2012, I have prepared a report reviewing the District’s contracts and records to determine whether the Tax Advantaged Obligations (as defined in the Resolution), comply with the applicable federal tax requirements. In accordance with the proceedings and agreements under which the Tax Advantaged Obligations were issued, the District has covenanted generally to take all action necessary to comply with the applicable federal tax rules and regulations relating to the Tax Advantaged Obligations, including covenants necessary to preserve the excludability of interest on the Tax Advantaged Obligations from gross income for federal income taxation purposes. The following sets forth a summary demonstrating the District’s compliance with such covenants and expectations.

(a) *Records.* I have in my possession all of the records required under the Resolution.

(b) *Arbitrage Rebate Liability.* I have reviewed the agreements of the District with respect to each issue of the Tax Advantaged Obligations. At this time, the District does not have any rebate liability to the U.S. Treasury.

(c) *Contract Review.* I have reviewed copies of all contracts and agreements of the District, including any leases, with respect to the use of any property owned by the District and acquired, constructed or otherwise financed or refinanced with the proceeds of the Tax Advantaged Obligations and other records. At this time, each issue of the Tax Advantaged Obligations complies with the federal tax requirements applicable to such issue, including restrictions on private business use, private payments and private loans.

(d) *IRS Examinations or Inquiries.* The Internal Revenue Service (the “*IRS*”) has not commenced an examination of any issue of the Tax Advantaged Obligations. The IRS has not requested a response to a compliance check, questionnaire or other inquiry.

Based upon the foregoing, I believe that the District is currently in compliance with the applicable tax law requirements and no further action is necessary at this time. This report will be entered into the records of the District and made available to all members of the Board at the next regular meeting thereof.

Respectfully submitted this 26th day of August, 2019.

By _____
Ellen Crispino
Compliance Officer