

MUNICIPAL SECURITIES DISCLOSURE

The Cedar Rapids Community School District (the “Issuer”) has issued, and may issue in the future, publicly offered municipal securities which are bonds, notes and/or other publicly offered obligations, referred to herein as “Bonds”. Publicly-offered Bonds are municipal securities sold via the public market, through a broker-dealer known as an “underwriter”. The Issuer adopts the policies and procedures set forth herein (collectively, the “Disclosure Policy”) to guide the Issuer’s actions with respect to (1) the disclosure document (often referred to as the “official statement”) for the Bonds and (2) ongoing disclosure requirements associated with such Bonds (also known as “continuing disclosure”).

Background

The anti-fraud provisions of federal securities laws apply to municipal securities such as the Issuer’s Bonds. The U.S. Securities and Exchange Commission (the “SEC”) can bring enforcement actions against the Issuer, members of its governing body, government employees and officials, and professionals working on the bond transaction. This Disclosure Policy is designed to provide the necessary policy framework and accompanying procedures for compliance by the Issuer with its disclosure responsibilities.

When Bonds are issued and publicly offered, an official statement will be prepared on behalf of the Issuer. The official statement is the disclosure document that sets forth the terms associated with the Bonds, and this document will be used to market and sell the Issuer’s Bonds.¹ In addition, for transactions larger than \$1 million in size that include an official statement, the Issuer enters into a continuing disclosure certificate, agreement or undertaking (the “CDC”). The CDC is a contractual obligation of the Issuer, pursuant to which the Issuer agrees to provide certain financial information filings (at least annually) and material event notices to the public. The CDC is necessary to allow the bond underwriters comply with SEC Rule 15c2-12. As noted below, filings under the CDC must be made electronically at the Electronic Municipal Market Access portal (www.emma.msrb.org).

Accordingly, this Policy addresses the following three aspects of disclosure: (1) preparation and approval of official statements in connection with new Bonds; (2) on-going continuing disclosure requirements under a CDC; and (3) education of staff and elected officials with respect to disclosure matters.

Primary (New) Offerings of Bonds – Official Statements of the Issuer

In connection with issuance of its publicly-offered Bonds, the Issuer will prepare (or cause its hired professionals to prepare) an official statement in order to market the Bonds to investors. This official statement is the document that describes the issuance of the Bonds to the marketplace and as such, under federal law, the official statement cannot contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

To help ensure the Issuer’s official statements are properly prepared and reviewed, the Issuer adopts the procedures set forth in [Appendix I](#) hereto.

Continuing Disclosure Compliance (CDC Compliance)

The Issuer has entered into, or may in the future enter into, CDCs in connection with its bond issues. Under these contractual agreements, the Issuer agrees to provide to the marketplace certain financial information and notices of material events. The Issuer will file, or cause to be filed, necessary items under the CDCs in a searchable electronic format at the Electronic Municipal Market Access (EMMA) portal (www.emma.msrb.org).

To help ensure compliance with its contractual continuing disclosure obligations, the Issuer adopts the procedures set forth in [Appendix II](#) hereto.

¹ Under federal law issuers of municipal securities are primarily responsible for the content of their disclosure documents (the official statement), regardless of who prepared the document. An issuer does not discharge its disclosure obligations by hiring professionals to prepare the official statement. An issuer has “an affirmative obligation” to know the contents of its official statement, including the financial statements. Finally, executing an official statement without first reading the official statement to ascertain whether it is accurate may be reckless (the basis for certain anti-fraud causes of action by the SEC).

Systematic Training of Staff and Governing Body Members

In addition to the specific procedures adopted under this Disclosure Policy, the Issuer understands that on-going training of both necessary staff and members of the governing body is essential to successful compliance with the Issuer's disclosure obligations. Accordingly, the Issuer has implemented the following training procedures (which may be implemented with the assistance of counsel to the Issuer):

A. Annual Training. Necessary Issuer employees are required to attend annual training (provided by either internal or external trainers) regarding disclosure and financial reporting requirements of the federal securities laws. Such training shall include an overview of this Disclosure Policy, Rule 15c2-12 and the material events required to be reported pursuant to such Rule, and the Issuer's obligations under the federal securities laws. The Issuer's Executive Director of Business Services is appointed as the person responsible for compliance with this policy, referred to herein as the "CD Compliance Officer." The CD Compliance Officer is responsible for coordinating the annual training, and not later than six months after the end of each fiscal year, the CD Compliance Officer shall provide written confirmation to the Board of Directors that the annual disclosure training has been completed.

B. Specific Training. When appropriate, the CD Compliance Officer shall conduct (or cause to be conducted) training with individuals on those persons' specific roles and responsibilities in the disclosure and financial reporting process.

C. Governing Body Training. The members of the Issuer's governing body shall receive training on this Disclosure Policy and the disclosure and financial reporting requirements of the federal securities laws (1) prior to the approval of an official statement or (2) in conjunction with the annual report to the governing body or (3) in conjunction with any other training or work session of the governing body. The CD Compliance Officer is responsible for coordinating this training.