



California School Boards Association

Low Interest Rate Borrowing Program

Currently under 2 percent

The California School Boards Association recently received all “A’s” with its most recent low interest rate loan program offered to school districts. CSBA is pleased to announce that 100 percent of its applications for the 2007 Qualified Zone Academy Bonds to the California Department of Education were approved.

In 2007, CDE changed the QZAB program, and applications are now judged on the quality of the applications submitted based mostly on quantitative criteria. The new application process is significantly more time consuming (some submissions were more than 20 pages), but it does reduce the element of luck on the approval. Since the luck element has been factored out, CSBA has produced outstanding results for its client districts.

Because of the new lengthy application requirements for QZABs, CSBA has found that most superintendents or business managers do not have the required man hours to successfully devote to the new QZAB format.

CSBA has created a program to address all of the new requirements and handles the majority of the QZAB work for your district. The CSBA program lets your district’s most valued employees doing the jobs they’ve been hired to do.

CSBA offers the only 100 percent turn-key QZAB program available in California. The association assists with every one of the numerous components required. From the entire application process, including locating the required 10 percent matching contribution, to the set up of the zone academy, or to the structuring of the debt, CSBA helps districts do it all. CSBA also helps locate the “qualified buyer” as defined by the IRS regulations.

All QZAB programs are handled on a contingency basis. If the program is unsuccessful, for any reason, there is no charge.

Currently, there is an additional amount of \$20,427,278 remaining from the 2007 applications. The deadline for this second round of QZAB applications is **March 3, 2008**. Interested districts are encouraged to contact CSBA as soon as possible since the process is time consuming. Contact Vina Guzman, assistant consultant, at CSBA either by phone at (916) 669-3327 or by e-mail at vguzman@csba.org.

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