Texas Education Agency
Qualified Zone Academy Bond (QZAB) Program Application for 2009, 2010, and 2011

District or charter school name: _____

County-district number: _____

District or charter school contact person: _____

Address 1: _____

Address 2: _____

City: _____

Zip code: _____

Telephone: _____

Email address: _____

Eligibility

Applicant must check one of the following to establish QZAB eligibility:

☐ The applicant district or charter school is located in one of the following empowerment zone counties: Cameron County, Dimmitt County, Hidalgo County, La Salle County, Maverick County, Starr County, Uvalde County, Willacy County, or Zavala County.

OR

☐ The campuses benefiting from the QZAB proceeds will have at least 35 percent of the students attending (as of the date of issuance of the bonds) eligible for free or reduced-cost lunches under the school lunch program established under the National School Lunch Act.

Bond Authorization Requested

There is no limit to the amount of bond authorization that may be requested per district or charter school.

Numeric amount of the bond authorization requested: _____
(Example: $5,250,000)

Written amount of the bond authorization requested: _____
(Example: Five million two hundred fifty thousand dollars)

The applicant must commit to spend at least 10 percent of the proceeds within six months of issue of the QZABs and 100 percent of the proceeds within three years of issue of the QZABs:

Anticipated issue date: _____

Anticipated amount of funds spent six months after issue: $ _____

Anticipated amount of funds spent three years after issue: $ _____

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Assurance of Private Business Contribution

The district or charter school must provide written assurance of commitment from a private entity or private entities to make qualified contributions totaling a present value equal to not less than 10 percent (10%) of the proceeds of the bond issue. The commitment must state that the 10 percent (10%) match is below the fair market value offered by any entity providing similar products or services. The 10 percent (10%) contribution may include the following:

- equipment for use in the qualified zone academy (including state-of-the-art technology and vocational equipment);
- technical assistance in developing curriculum or in training teachers in order to promote appropriate market-driven technology in the classroom;
- internships, field trips, or other educational opportunities outside the academy for students; or
- any other property (including cash) or service specified by the public school district or charter school.

The assurance must be signed by the chief executive of each participating entity. **Please indicate that the signed assurance is attached to this application by checking the box below.**

☐ Assurance attached

Prohibition Against Use of Funds for New Construction

Repair, renovation, and retrofitting of existing buildings are the only types of construction that qualify under the QZAB program. **QZAB proceeds may not be used for new construction.** New construction includes projects such as additions to existing buildings and/or new freestanding buildings.

☐ Acknowledgement that applicant will not use funds for new construction (please check)

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New Academic Program and Project Description(s)

NEW ACADEMIC PROGRAM. The proposed program must be designed in cooperation with business partners to enhance the academic curriculum, increase graduation and employment rates, and better prepare students for the rigors of college and the increasingly complex work world. The district or charter school, along with at least one of the business partners, together must create a plan for **a new academic program** and indicate how their combined efforts can improve student education. Postsecondary education and training programs, and existing programs, are not eligible. Students in the proposed program must be subject to the same academic standards and assessments as other students educated by the eligible local education agency.

New academic program description:

Identify how the new academic program will enhance the academic curriculum, increase graduation and employment rates, and better prepare students for the rigors of college and the increasingly complex work world:

Identify how the new academic program was designed in cooperation with business partner(s):

Identify, in the following table, the campuses at which the new academic program will be implemented:

CAMPUS INFORMATION	PROJECT ELEMENTS (check all that apply for each project)	ESTIMATED COST	NARRATIVE DESCRIPTION
Campus name: _____	☐ Repairs or rehabilitation	$	
	☐ Equipment	$	
Campus no. (9 digits): _____	☐ Developing course materials for education	$	
Economically disadvantaged: ___% (percentage of students eligible for free and reduced lunch)	☐ Training teachers and other school personnel	$	
Campus name: _____	☐ Repairs or rehabilitation	$	
	☐ Equipment	$	
Campus no. (9 digits): _____	☐ Developing course materials for education	$	
Economically disadvantaged: ___% (percentage of students eligible for free and reduced lunch)	☐ Training teachers and other school personnel	$	
	Issuance costs (if any):	$	**Cannot exceed 2% of the bond authorization amount requested**
	TOTAL PROJECT COSTS AND ISSUANCE COSTS:	$	**Must equal the bond authorization amount requested**

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As used in this application:

- "Agency" means the Texas Education Agency (TEA); and
- "Applicant" means the entity eligible to apply for bond authorization. If the application is approved, "applicant" means the entity granted the bond authorization.

Statement of provisions and assurances for the bond authorization requested in this application:

A. The applicant certifies that 100 percent of the proceeds of the QZABs will be used for some or all of the following qualified purposes:
   - Rehabilitating or repairing the public school facility in which an academy is established;
   - Providing equipment for use at an academy;
   - Developing course materials for education to be provided at an academy;
   - Training teachers and other school personnel in an academy; or
   - Issuance costs not to exceed 2 percent of total bond proceeds.

   QZAB proceeds may not be used for new construction. New construction includes projects such as additions to existing buildings and/or new freestanding buildings.

   Within six months of issuance, the applicant must have entered into contract(s) for use of proceeds equal to 10 percent of issuance. Additionally, 100 percent of the bond proceeds are to be used for a qualified purpose and must be spent within three years of the date of issuance.

B. **Debt instruments:**
   A school district applicant shall issue one or more of the following four types of debt instruments:
   - General Obligation Bond - authorized under the authority of the Texas Education Code, Chapter 45, Subchapter A;
   - Lease Purchase - authorized under the Texas Local Government Code, §271.005, pertaining to personal property;
   - Time Warrant - authorized under the Texas Education Code, §45.103; or
   - Maintenance Tax Note - authorized under the Texas Education Code, §45.108.

   A charter school applicant shall issue only the following type of debt instrument:
   - Revenue Bond - as authorized under the Texas Education Code, Chapter 53, Subchapter C.

C. **Compliance with the Davis-Bacon Act:** The applicant certifies that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the federal government pursuant to this authorization shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the secretary of labor in accordance with 40 United States Code (USC), Chapter 31, Subchapter IV. With respect to the labor standards specified in this section, the secretary of labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 USC Appendix) and 40 USC, §3145 (Section 1606).

   The applicant certifies that all contracts will include language that acknowledges that all contractors or subcontractors must pay laborers and mechanics employed under the contract no less than locally prevailing wages for corresponding work on similar projects in the area. The U.S. Department of Labor determines locally prevailing wage rates.

   Wage determinations: http://www.access.gpo.gov/davisbacon/
   Texas wage determinations are linked from the following site: http://www.access.gpo.gov/davisbacon/tx.html

D. The applicant certifies that the applicant will comply with any arbitrage and rebate requirements that may be applicable on governmental tax-exempt bonds.

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Statement of provisions and assurances for the bond authorization requested in this application (continued):

E. No other agreement, written or oral, purporting to alter or amend this application shall be valid.

F. The applicant certifies that **the person signing this application has been properly delegated this authority**.

G. In the conduct of the bond authorization, the applicant shall be subject to **Texas State Board of Education rules and commissioner of education rules pertaining to school facilities and the bond authorization and to the laws of the State of Texas governing this bond authorization.** This document constitutes the entire agreement between the agency and the applicant for the bond authorization.

H. The agency may conduct **desk reviews or on-site monitoring reviews** to determine compliance with the approved application and the applicable statute(s), law(s), regulations, and guidelines.

I. If the applicant, in the agency's sole determination, fails or refuses for any reason to perform any of its obligations under this contract, **the agency may impose such sanctions as it may deem appropriate**. The cancellation, termination, or suspension of this bond authorization, if imposed, shall become effective at the close of business on the day of the applicant's receipt of written notice thereof from the agency.

J. The applicant, to the extent permitted by law, shall hold the agency harmless from and shall indemnify the agency against any and all claims, demands, and causes of action of whatever kind or nature asserted by any third party and occurring or in any way incident to, arising from, or in connection with any acts of the applicant, its agents, employees, and subcontractors, done in the conduct of the bond authorization.

K. **The applicant shall maintain its records and accounts in a manner that assures a full accounting for all funds received and expended by the applicant in connection with the bond authorization.** These records and accounts shall be retained by the applicant and made available for programmatic or financial audit by the agency and by others authorized by law or regulation to make such an audit for a period of not less than five years from the date of the end of debt service. If an audit has been announced, the records shall be retained until such audit has been completed.

L. The applicant certifies that no funds provided under this bond authorization shall be used to purchase supplies, equipment, or services from any **companies found to be guilty of unfair business practices** within 12 months from the determination of guilt.

M. The applicant certifies that no funds will be used to pay for **religious worship, instruction, or proselytization**, or for any equipment or supplies for such, or for any construction, remodeling, repair, operation, or maintenance of any facility or part of a facility to be used for religious worship, instruction, or proselytization (34 Code of Federal Regulations, §76.532, and Public Law 107-110, §9505).

N. The applicant certifies that any construction or major renovation of an existing facility using funds obtained by the applicant under this bond authorization shall consider, in the design of the instructional facility, **security criteria developed by the Texas School Safety Center under the Texas Education Code, §37.2051**.

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I certify that, to the best of my knowledge, the information in this application is true and correct; I further certify that any ensuing program and activity will be conducted in accordance with all applicable federal and state laws and regulations, the application guidelines and instructions, and the statement of provisions and assurances contained herein. This application is for an academy program established and operated under the supervision of an eligible local education agency (LEA), as defined in Section 14101 of the Elementary and Secondary Education Act of 1965.

_____
Printed name of superintendent or other authorized district or charter school official

X _____ X _____
Original signature (blue ink preferred) of superintendent or other authorized district or charter school official — Date

Please return to:

Texas Education Agency
Document Control Center, Room 6-108
ATTN: QZAB
1701 North Congress Avenue
Austin, TX 78701

Fax or email submissions will not be accepted. **Applications will be considered on a first-come, first-served basis, until the 2009, 2010, and 2011 allocations are fully committed.**

Questions? Please call Sam Lester, State Funding Division, at (512) 475-2029 or Gary Marek, State Funding Division, at (512) 463-9190.