

## **EXHIBIT A**

### **POST ISSUANCE DISCLOSURE PROCEDURES FOR BONDS AND NOTES AND LOANS**

#### **A. INTRODUCTION**

These procedures have been adopted by the Gadsden Independent School District, Dona Ana and Otero County, New Mexico (the “District”) in order to comply with the federal securities laws related to the District’s debt obligations.

#### **B. COMPLIANCE OFFICER**

The District’s Chief Financial Officer (“Compliance Officer”) is responsible for monitoring the District’s compliance with these Procedures and all federal securities law requirements. The Compliance Officer may designate employees of the District to carry out any of the duties required under these Procedures on behalf of the Compliance Officer, as necessary, appropriate, and permitted by law to ensure compliance.

#### **C. TYPES OF DISCLOSURE GOVERNED BY THESE PROCEDURES**

The District will use these procedures in connection with the following forms of disclosure (collectively, “Disclosure Documents”):

##### **1. Primary Disclosure**

- i. Preliminary Official Statements
- ii. Final Official Statements

##### **2. Secondary Disclosure**

- i. Continuing Disclosure
  - Examples: Annual reports and notices of specified events provided pursuant to a continuing disclosure agreement.
- ii. Voluntary Disclosure
  - Examples: Quarterly financial information, a change in fiscal year and other additional financial or operation information; amendments to continuing disclosure undertakings; a change in obligated persons and other event-based disclosures.

##### **3. Other Disclosure**

- i. Information about the District that is material and reasonably expected to reach investors. Information is material if there is a substantial likelihood that it would be considered significant by a reasonable investor.
  - Examples: Financial information on the District’s website, such as the District’s budget and fiscal reports.

- ii. Statements or omissions related to the tax status of the District's obligations.
  - Examples: Statements or omissions in tax certificates, or other documents relied on by bond counsel.

#### **D. ANNUAL REPORT FILING**

1. In each year that the District has debt obligations outstanding subject to a Continuing Disclosure Undertaking entered into pursuant to SEC Rule 15c2-12, it must cause to be filed its annual report ("Annual Report") with the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access System for municipal securities disclosure ("EMMA") or any successor entity.
2. The Annual Report must be provided by the District or designee by the date specified in each bond's Continuing Disclosure Undertaking.
3. In preparing its Annual Report, the Compliance Officer must review each of its outstanding continuing disclosure undertakings (if any) (collectively, "Undertakings") to determine the financial information and operating data which, together with the audited financial statements, will constitute the Annual Report. Certain quarterly reports may also need to be filed with the MSRB through EMMA or any successor entity.

#### **E. OTHER MATERIAL EVENTS**

1. The District will also continuously monitor other material events relevant to the bonds and provide proper notice to the MSRB through EMMA as may be required by the Undertakings or as specified in SEC Rule 15c2-12.
2. Event Notices under SEC Rule 15c2-12 include the following events. (SEC Rule 15c2-12 should be reviewed quarterly for amendments or changes.)
  - i. Principal and interest payment delinquencies;
  - ii. Non-payment related defaults;
  - iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
  - iv. Unscheduled draws on credit enhancements reflecting financial difficulties;
  - v. Substitution of credit or liquidity providers, or their failure to perform;
  - vi. Adverse tax opinions or events affecting the tax-exempt status of the security;
  - vii. Modifications to rights of security holders;
  - viii. Bond calls and tender offers;
  - ix. Defeasances;
  - x. Release, substitution or sale of property securing repayment of securities;
  - xi. Rating changes;
  - xii. Bankruptcy, insolvency or receivership;
  - xiii. Merger, acquisition or sale of all issuer assets; and/or
  - xiv. Appointment of successor trustee.

3. Material Event Notices should be filed within 10 business days of the event.
4. The District will coordinate any submissions with the MSRB through EMMA with Bond Counsel or other legal counsel.

#### **F. MAINTENANCE OF RECORDS**

1. The Compliance Officer will be responsible for maintaining records related to the debt obligations. The records shall include:
  - i. The bond transcript for each bond issue;
  - ii. Records of debt service payments for each issue of bonds;
  - iii. Documents showing the expenditures of bond proceeds, such as construction or contractor invoices, receipts for equipment and furnishings, and bond trustee requisitions and project completion certificates;
  - iv. Documents showing the lease or use of bond-financed property by public and private sources;
  - v. Documents relating to investment of bond proceeds;
  - vi. Documents relating to remedial action and other change-of-use records;
  - vii. Amendments and other changes to bond documents;
  - viii. Letters of credit and other guarantees for bond issues; and
  - ix. Interest rate swaps and other derivatives related to bond issues.
2. The Compliance Officer shall also maintain a central list of debt obligations subject to this procedure, in a form similar to that attached as Exhibit 1.

#### **G. ONGOING DISCLOSURE POLICIES AND PROCEDURES**

The following are general, ongoing disclosure policies and procedures of the District. With the assistance of counsel and financial advisor, the Compliance Officer and/or designee's shall do the following:

1. **Monitor Compliance:** In addition to the filing of annual reports, the District must provide notice of events specified in the District's continuing disclosure undertakings. Generally, notice of such events must be provided to the MSRB within ten business days after the occurrence of such event. In order to ensure compliance with the District's continuing disclosure undertakings, the Compliance Officer or designee shall periodically review the list of events specified in the District's continuing disclosure undertakings to determine whether any such event has occurred that may require notice.
2. **Verify Primary Disclosure at Key Times:** The District's Preliminary and Final Official Statement must not contain any untrue statement of material fact, or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The Compliance Officer

or designee must verify the accuracy of its primary disclosure not only during drafting and review, but also at the time of

- i. posting or mailing the Preliminary Official Statement
- ii. pricing of the District's bonds, and
- iii. at the time of closing of the transaction

If developments occur that may make the District's primary disclosure inaccurate or incomplete as described above, the Compliance Officer or designee will work with the Disclosure Counsel (if applicable), and/or Bond Counsel to remedy these potential issues.

3. **Promptly Address Issues and Questions:** Everyone who participates in creating or reviewing a Disclosure Document should promptly address issues that arise throughout the disclosure process. The Compliance Officer or designee and Responsible Parties must address and resolve all questions they may have regarding the accuracy and completeness of a Disclosure Document.
4. **Consider What is Missing:** Instead of simply updating numerical data from one year to another, Responsible Parties and the Compliance Officer or designee must consider what is missing from Disclosure Documents. For example, material developments related to the District's financial condition may have occurred, cost projections for a project may have changed or laws affecting the District may have been enacted. Material developments such as these may not appear in prior Disclosure Documents and therefore cannot be adequately disclosed by simply updating prior Disclosure Documents.
5. **Encourage Responsible Parties and Disclosure Team Members to Raise Issues:** Responsible Parties, the Compliance Officer or designee and any other participants have a duty to carefully consider and question the information in Disclosure Documents to ensure that the District's disclosure is complete and accurate. Issues and questions regarding the completeness or accuracy of any Disclosure Document should first be raised internally. Such questions should be discussed with the Compliance Officer or designee, Bond Counsel, Disclosure Counsel (if applicable), financial advisor, and others within the District until resolved.

## **H. LEGAL AND FINANCIAL ADVISORS**

The Compliance Officer shall engage counsel and a financial advisor, as necessary, to assist in implementing these Procedures.

## **I. ANNUAL REVIEW**

The Compliance Officer is responsible for conducting an annual review of each outstanding bond issue according to these Procedures. The review shall focus on events that occurred in the immediately preceding year. The Compliance Officer shall present the annual review to the Board at the Board's first meeting in February of each year.

## **J. DISCLOSURE TRAINING**

The Compliance Officer or designee shall work with counsel to create, implement, and periodically revise ongoing disclosure training. Every person designated by the Compliance Officer to assemble information or otherwise participate in the preparation of a Disclosure Document (a “Responsible Person”) shall receive disclosure training related to federal securities laws as well as training related to their role in preparing the District’s Disclosure Documents.

## **K. REVIEW OF POST ISSUANCE DISCLOSURE PROCEDURES**

These procedures have been adopted by the District. The Compliance Officer or designee will review these procedures no less than annually and will periodically consult with Bond Counsel and/or Disclosure Counsel (Disclosure Counsel would be consulted if one is under contract with the District) to ensure these procedures are effective in producing disclosure that is accurate, complete and in compliance with federal securities law.

