

BOARD OF EDUCATION  
SCHOOL DISTRICT NO. 1J, MULTNOMAH COUNTY, OREGON

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Purchases, Bids, Contracts

The Chief Executive Officer RECOMMENDED adoption of the following items:

Resolutions 5304 and 5305

Director Knowles moved and Director Rosen seconded the motion to adopt Resolution 5304. The motion was put to a voice vote and passed by a vote of 6-1 (6-yes, 1-no [Anthony]), with Student Representative Bradley voting yes, unofficial.

During the Committee of the Whole, Director Knowles moved and Director Anthony seconded the motion to adopt Resolution 5305. The motion was put to a voice vote and passed by a vote of 6-1 (6-yes, 1-no [Buel]), with Student Representative Bradley voting no, unofficial.

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**RESOLUTION No. 5304**

Revenue Contracts that Exceed \$150,000 Limit for Delegation of Authority

**RECITAL**

Portland Public Schools ("District") Public Contracting Rules PPS-45-0200 ("Authority to Approve District Contracts; Delegation of Authority to Superintendent") requires the Board of Education ("Board") to enter into and approve all contracts, except as otherwise expressly authorized. Contracts exceeding \$150,000 per contractor are listed below.

**RESOLUTION**

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes the Deputy Clerk to enter into agreements in a form approved by General Counsel for the District.

**NEW REVENUE CONTRACTS**

No New Revenue Contracts

**NEW INTERGOVERNMENTAL AGREEMENTS / REVENUE ("IGA/Rs")**

<b>Contractor</b>	<b>Contract Term</b>	<b>Contract Type</b>	<b>Description of Services</b>	<b>Contract Amount</b>	<b>Responsible Administrator, Funding Source</b>
State of Oregon	5/25/2016 through 5/25/2018	Intergovernmental Agreement/Revenue IGA/R 63251	State of Oregon will reimburse District for seismic rehabilitation costs at Lewis Elementary School. Bond 2012	\$333,621	Y. Awwad Fund 438 Dept. 5591 Project J0273

**AMENDMENTS TO EXISTING REVENUE CONTRACTS**

No Amendments to Existing Revenue Contracts

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**RESOLUTION No. 5305**

**Expenditure Contracts that Exceed \$150,000 for Delegation of Authority**

**RECITAL**

Portland Public Schools (“District”) Public Contracting Rules PPS-45-0200 (“Authority to Approve District Contracts; Delegation of Authority to Superintendent”) requires the Board of Education (“Board”) enter into contracts and approve payment for products, materials, supplies, capital outlay, equipment, and services whenever the total amount exceeds \$150,000 per contract, excepting settlement or real property agreements. Contracts meeting this criterion are listed below.

**RESOLUTION**

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes the Deputy Clerk to enter into agreements in a form approved by General Counsel for the District.

**NEW CONTRACTS**

<b>Contractor</b>	<b>Contract Term</b>	<b>Contract Type</b>	<b>Description of Services</b>	<b>Contract Amount</b>	<b>Responsible Administrator, Funding Source</b>
Smucker Foodservice, Inc.	7/26/2016 through 6/30/2017 Option to renew annually through 6/30/2021	Material Requirements MR 63073	Provide District nutrition services program with USDA foods processing on a requirements basis. Maximum contract term through 6/30/2021.  RFP 2015-2048	Original Term \$350,000 \$1,750,000 over maximum contract term	Y. Awwad Fund 202 Dept. 5570
Roadrunner Home Bake, Inc. dba Roadrunner Pizza	07/26/2016 through 06/30/2017 Option to renew annually through 03/13/2020	Cooperative Agreement COA 63131	Processing USDA provided mozzarella cheese into shepherd's grain flour whole wheat cheese pizza for Child Nutrition Program. Maximum contract term through 3/13/2020.  Lead Agency: Oregon Department of Education	Original Term \$270,000 \$1,113,750 over maximum contract term	Y. Awwad Fund 202 Dept. 5570
Blue Star Charters & Tours, Inc.	7/26/2016 through 8/31/2017	Services S 63252	Provide Special Pupil Activity Bus (SPAB) coach transportation service to District students for athletic and field activity trips on an as needed basis. Individual trips will be solicited via quotes.  SPAB transportation is regulated by OAR 581-053-0615 and District may only contract with providers registered with the state as SPAB providers.	Not-to-exceed \$185,000	Y. Awwad Various based on school usage
SchoolMint, Inc.	7/26/2016 through 6/30/2017 Option to renew annually through 6/30/2021	Software and Related Services SW 63223	Provide school choice student placement system software to manage school choice and student lottery systems. Maximum contract term through 6/30/2021.  RFP 2016-2096	Original Term \$134,420 \$510,420 over maximum contract term	J. Klein Fund 407 Dept. 5581 Project A1025

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WestEd	8/1/2016 through 6/30/2017	Personal Services PS 63220	Provide year two of a school-wide, whole-year professional development program to qualify Woodmere Elementary as a QTEL (Quality Teaching for English Learners) Lighthouse School.  Direct Negotiation PPS 46-0525(4)	\$210,000	C. Russo Fund 205 Dept. 5408 Grant G1520
WestEd	8/1/2016 through 6/30/2017	Personal Services PS 63221	Provide year two of an apprenticeship program to 15 District leaders to develop in-house capacity to provide professional development specific to Quality Teaching for English Learners.  Direct Negotiation PPS 46-0525(4)	\$155,000	C. Russo Fund 205 Dept. 5408 Grant G1520
Ellis Ray Leary, Jr.	8/15/2016 through 6/30/2017	Personal Services PS 63291	Provide the "I AM Academy" program to students at Franklin, Roosevelt, George and Vernon.  Direct Negotiation PPS 46-0525(4)	\$193,000	L. Poe Fund 101 Dept. 5431

**NEW INTERGOVERNMENTAL AGREEMENTS ("IGAs")**

<b>Contractor</b>	<b>Contract Term</b>	<b>Contract Type</b>	<b>Description of Services</b>	<b>Contract Amount</b>	<b>Responsible Administrator, Funding Source</b>
North Clackamas School District	7/1/2016 through 6/30/2017	Intergovernmental Agreement IGA 63219	Columbia Regional will provide the funding for Contractor to obtain Autism Spectrum Disorder program support and supplementary aides and services including coaching, professional development, technical assistance and consulting for school personnel.	\$301,200	H. Adair Fund 205 Dept. 5433 Grant G1630
David Douglas School District	7/1/2016 through 6/30/2017	Intergovernmental Agreement IGA 63256	Columbia Regional will provide the funding for Contractor to obtain Autism Spectrum Disorder program support and supplementary aides and services including coaching, professional development, technical assistance and consulting for school personnel.	\$228,000	H. Adair Fund 205 Dept. 5433 Grant G1630
TriMet and City of Portland	8/29/2016 through 6/27/2017	Intergovernmental Agreement IGA 63290	Three-way agreement to provide free transportation on regular TriMet and Portland Streetcar service routes to students enrolled at District high schools and designated alternative programs.	\$966,666	Y. Awwad Fund 101 Dept. 5560

**AMENDMENTS TO EXISTING CONTRACTS**

No New Amendments

Y. Awwad

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Other Matters Requiring Board Approval

The Chief Executive Officer RECOMMENDED adoption of the following items:

Resolutions 5306 through 5315

Resolution 5306 was withdrawn.

During the Committee of the Whole, Director Esparza Brown moved and Director Rosen seconded the motion to adopt Resolution 5307. The motion was put to a voice vote and passed unanimously (7-yes, 0-no), with Student Representative Bradley voting yes, unofficial.

During the Committee of the Whole, Director Anthony moved and Director Esparza Brown seconded the motion to adopt Resolution 5308. The motion was put to a voice vote and passed unanimously (7-yes, 0-no), with Student Representative Bradley voting yes, unofficial.

Resolution 5309 was withdrawn.

During the Committee of the Whole, Director Kohnstamm moved and Director Rosen seconded the motion to adopt Resolution 5310. The motion was put to a voice vote and passed unanimously (7-yes, 0-no), with Student Representative Bradley voting yes, unofficial.

During the Committee of the Whole, Director Knowles moved and Director Esparza Brown seconded the motion to adopt Resolution 5311. The motion was put to a voice vote and passed unanimously (7-yes, 0-no), with Student Representative Bradley voting yes, unofficial.

Director Knowles moved and Director Rosen seconded the motion to adopt Resolutions 5312 through 5315. The motion was put to a voice vote and passed by a vote of 6-1 (6-yes, 1-no [Anthony]), with Student Representative Bradley voting yes, unofficial.

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**RESOLUTION No. 5306**

WITHDRAWN

**RESOLUTION No. 5307**

Resolution to Adopt Revised Board Policy 4.30.012-P,  
Standards of Conduct - Student Dress And Grooming

**RECITALS**

On June 28, 2016, staff presented the first reading to the Board of revised Policy 4.30.012-P, Standards of Conduct – Student Dress and Grooming. Per District Policy, the public comment period was open for 21 days.

**RESOLUTION**

The Board of Education hereby adopts revised Policy 4.30.012-P, Standards of Conduct – Student Dress and Grooming.

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**RESOLUTION No. 5308**

Intent to Open Tubman and Roseway Heights Middle Schools for 2017-18 School Year

**RECITALS**

- A. Portland Public Schools has experienced seven consecutive years of student enrollment growth. When coupled with improved state and local funding, the district has seen an annual rise in the number of schools with an inadequate number of classroom and common spaces for teachers and students.
- B. At the same time, many schools continue to have insufficient enrollment to sustainably provide core program offerings to all students without additional resources. This includes 18 K-8 schools that were reconfigured from K-5s and middle schools in 2005 and 2006.
- C. In November 2014, PPS initiated a District-wide Boundary Review Advisory Committee (D-BRAC) to provide recommendations to the Superintendent on resolving overcrowding, under-enrollment





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**RESOLUTION No. 5313**

Confirming the Name of Martin Luther King Jr. School

**RECITALS**

- A. In 1999, the name of Martin Luther King Jr. School was abbreviated to King School by the Oregon Department of Education due to technical limitations of their data base at that time.
- B. At the June 22, 2016 meeting of the Portland Public School Board of Education, members of the King School community stated their desire to re-establish their school name to Martin Luther King Jr. School to honor the man for whom the school was named, and who envisioned an excellent education for all children.

**RESOLUTION**

The Board of Education for Portland Public Schools resolves that King School be re-established as Martin Luther King Jr. School.

*A.Lopez*

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**RESOLUTION NO. 5314**

A Resolution of School District No. 1-J Multnomah County (Portland Public Schools), Oregon, Authorizing the Issuance, Negotiated Sale, and Delivery of a \$4,000,000 Full Faith and Credit Qualified Zone Academy Bond; Designating an Authorized Representative and Purchaser; and Authorizing Execution of a Purchase Agreement and Related Matters

**RECITALS**

- A. The Board of Directors of School District No. 1-J Multnomah County (Portland Public Schools), Oregon (the "District"), is authorized pursuant to the Oregon Constitution and Oregon Revised Statutes Chapters 287A and 328 to issue its general obligation bonds to finance capital construction and improvements; and
- B. The District has determined that it is in the best interest of the District to make certain improvements to District facilities consisting of capital improvements to various school buildings and equipment including, but not limited to, repairs, renovations, and rehabilitation of classrooms, energy retrofitting and energy savings upgrades including lighting retrofits, automation of controls, HVAC upgrades, window replacements and a number of other energy conservation improvements of the District (the "Project"); and
- C. Sections 54A and 54E of the Internal Revenue Code of 1986, as amended, permit the District to issue "qualified zone academy bonds" ("QZABs") to finance certain improvements at public schools and programs that qualify as qualified zone academies; and
- D. The District has determined that the Project is eligible for QZABs financing; and
- E. On March 21, 2016, the Oregon Department of Education approved the District's request to issue \$4,000,000 in QZABs to finance costs of the Project; and
- F. The District has obtained the requisite commitment from a private partner for a QZAB financing in the form of a written pledge of a 10% contribution from Pulling For Kids Foundation, Inc.; and
- G. New Mexico Bank & Trust Company or an affiliate (the "Bank") has o

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**Board of Directors** means the duly constituted Board of Directors as the general legislative authority of the District.

**Bond Register** means the registration books maintained by the Registrar setting forth the names and addresses of the owners of the Bond and the Credit Coupons.

**Bond** means the School District No. 1-J Multnomah County (Portland Public Schools), Oregon, Full Faith and Credit Qualified Zone Academy Bond, 2016, authorized herein to be issued in the principal amount of \$4,000,000.

**Bond Counsel** means a law firm of nationally recognized bond counsel who is requested to deliver its approving opinion with respect to the issuance of and the exclusion from federal income taxation of interest on obligations and has specific knowledge of QZABs under Section 54E of the Code and the provisions of the Code and applicable guidance regarding the stripping of Tax Credits with respect to such obligations.

**Capital Projects Fund** means the special fund of the District established pursuant to Oregon Revised Statutes Chapter 328, into which fund certain proceeds of the Bond shall be deposited.

**Code** means the Internal Revenue Code of 1986, as amended.

**Credit Allowance Date** means March 15, June 15, September 15 and December 15 of each year while the Bond is outstanding, commencing September 15, 2016, and the last day on which the Bond is outstanding.

**Credit Coupon** means each coupon, in the form attached hereto as Exhibit B, executed by the District and representing and evidencing the right of the Registered Owner thereof to receive a Tax Credit on the Credit Allowance Date stated on such coupon.

**Default Interest Rate** means the rate of 10% per annum, or the maximum amount permitted by law, whichever is less.

**District** means School District No. 1-J Multnomah County (Portland Public Schools), Oregon, a municipal corporation duly organized and existing under and by virtue of the laws of the State of Oregon.

**Equalization Payment** has the meaning set forth in Section 11.

**General Fund** means the fund of the District established pursuant to Oregon Revised Statutes Chapter 328.

**Government Obligations** means those obligations now or hereafter defined as such in Oregon Revised Statute 294.035, as such statut

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**Registered Owner** means, with respect to the Bond, the person named as the registered owner of the Bond in the Bond Register, and with respect to a Credit Coupon, the person named as the registered owner of such Credit Coupon in the Bond Register.

**Registrar** means, initially, U.S. Bank National Association and shall include any successor Registrar appointed by the District.

**Regulation or Regulations** means the temporary, proposed or final Income Tax Regulations promulgated by the Department of the Treasury and applicable to the Bond and the Credit Coupons.

**QZABs** has the meaning set forth in the recitals hereto. Individual QZABs are referred to herein each as a QZAB.

**QZAB Sinking Fund** means the fund established pursuant to Section 4(c) herein.

**Servicer** means BluePath Finance LLC.

**Sinking Fund Payments** has the meaning given in Section 4(c) herein.

**Tax Credit** means the credit against federal income tax that is allowed under Section 54A of the Code and in the manner provided in Internal Revenue Service Notice 2010-28 to a taxpayer holding all or part of a "qualified zone academy bond" as defined in Section 54E of the Code on a Credit Allowance Date.

Authorization of Bond. The Board of Directors hereby authorizes the issuance and sale of the Bond in the principal amount of \$4,000,000 for the purpose of financing all or a portion of the cost of the Project and paying costs of issuing the Bond. The Bond shall be designated the "School District No. 1-J Multnomah County (Portland Public Schools), Oregon, Full Faith and Credit Qualified Zone Academy Bond, 2016" (the "Bond"), shall be dated as of its original issuance, shall be fully registered as to principal, shall be in the denomination of \$4,000,000, and shall be numbered R-1. Except to the extent required by Section 4(c) below, the Bond shall not bear interest.

Designation of Authorized Representatives. The Board of Directors designates the Chief Executive Officer and Interim Deputy Chief Financial Officer (each an "Authorized Representative") or a designee of the Authorized Representative, individually and in lieu of a superintendent, to act on behalf of the District as specified in Section 12 hereof.

Registration, Transfers and Payments.

(a) **Registration.** The Registrar shall maintain the Bond Register. Such Bond Register shall contain the names and mailing addresses of the Registered Owners, from time to time, of the Bond and of all of the Credit Coupons.

(b) **Transfers.** The Bond shall be transferable, in whole, to another qualified investor, upon prior written notice to the District and the Registrar. The Credit Coupons are transferrable upon prior written notice to the District and the Registrar.

(c) **Payments.** Principal of the Bond shall be due on \_\_\_\_\_, or such other date as determined by the District and the Bank up to a maximum term of twenty (20) years.8144 0 lieu of 5.7(we0 TD44 0 lieu

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the amount owed has been fully paid, and the District agrees to pay the same with interest thereon, from the date owed to the date of payment, at the Default Interest Rate.

Under certain circumstances described in Section 11 below, the District is required to make Equalization Payments to Registered Owners of Credit Coupons.

The District hereby establishes a fund designated as the "School District No. 1-J Multnomah County (Portland Public Schools) QZAB Sinking Fund" (the "QZAB Sinking Fund"). The QZAB Sinking Fund shall be held at the Bank. The District covenants to make annual payments into the QZAB Sinking Fund on the dates and in the amounts shown in the payment schedule set forth below (the "Sinking Fund Payments"):

<b>Sinking Fund Payment Date (August 4)</b>	<b>Sinking Fund Payment</b>
8/4/2017	\$200,000.00
8/4/2018	\$200,000.00
8/4/2019	\$200,000.00
8/4/2020	\$200,000.00
8/4/2021	\$200,000.00
8/4/2022	\$200,000.00
8/4/2023	\$200,000.00
8/4/2024	\$200,000.00
8/4/2025	\$200,000.00
8/4/2026	\$200,000.00
8/4/2027	\$200,000.00
8/4/2028	\$200,000.00
8/4/2029	\$200,000.00
8/4/2030	\$200,000.00
8/4/2031	\$200,000.00*
8/4/2032	\$200,000.00
8/4/2033	\$200,000.00
8/4/2034	\$200,000.00
8/4/2035	\$200,000.00
8/4/2036	\$200,000.00

\* The final Sinking Fund Payment will be reduced by the earnings or other moneys on deposit in the QZAB Sinking Fund in excess of the sum of all Sinking Fund Payments made immediately prior to the final Sinking Fund Payment.

The Bank shall notify the District twenty (20) days prior to the final Sinking Fund Payment date as to the amount required to be deposited to pay from the QZAB Sinking Fund the principal of the Bond on the Maturity Date.

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acknowledges that amounts on deposit in the QZAB Si

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vote of the electors of the District. Accordingly, the District covenants with the Registered Owner of the Bond to levy annually a direct ad valorem tax upon all of the taxable property within the District in an amount without limitation as to rate or amount, subject to the limitations of Sections 11 and 11b, Article XI of the Oregon Constitution, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and any other funds available, to pay interest, if any, accruing and the principal maturing on this Bond promptly when and as they become due, and all amounts due upon a mandatory redemption of the Bond and any Equalization Payments, when and as they become due. The full faith, credit and resources of the District are hereby irrevocably pledged for the prompt payment of such principal, interest, if any, and Equalization Payments, if any.

Defeasance. The Bond may not be defeased (whether legally defeased or economically defeased) except upon delivery of an opinion of Bond Counsel substantially to the effect that such defeasance will not cause the Bond to lose its status as a "qualified tax credit bond" that is a QZAB under Sections 54A and 54E of the Code and will not adversely affect the availability of Tax Credits under any Credit Coupons. In the event that (a) money and/or Government Obligations, maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Bond in accordance with its terms, are set aside in a special account of the District to effect such redemption and retirement, (b) such money and the principal of and interest on such Government Obligations are irrevocably set aside and pledged for such purpose, and (c) the opinion of Bond Counsel referred to in the preceeding sentence is first received by the Registered Owners of the Bond and the Credit Coupons, then no further payments need be made into the QZAB Sinking Fund for the payment of the principal of and interest, if any, on the Bond so provided for, and such Bond shall cease to be entitled to any lien, benefit or security of this resolution except the right to receive the money so set aside and pledged, and such Bond shall be deemed not to be outstanding hereunder.

Tax Covenants and Certifications; Equalization Payments.



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**The District has received the written approval from the Oregon Department of Education of a 2016 allocation authorizing the District to issue \$4,000,000 in QZABs to finance costs of the Project, and such 2016 allocation remains in full force and effect; and**

**The Project constitutes a qualified purpose under Section 54E(d)(3) of the Code for the issuance of QZABs.**

**(b) *Federal Tax Certificate.*** To evidence and confirm the District's expectations and covenants relating to the matters set forth in this Section 11, the Board of Directors directs the Authorized Representative of the District to execute and deliver, on behalf of the District, a Federal Tax Certificate to be dated the date on which the Bond is issued, a form of which is attached hereto as Exhibit D.

**(c) *Issuance of Credit Coupons.*** Each Credit Coupon to be issued and delivered by the District under this resolution represents and evidences the right of the Registered Owner of such Credit Coupon to receive a Tax Credit on the Credit Allowance Date stated on such Credit Coupon. A separate Credit Coupon for each Credit Allowance Date shall be issued in the form attached hereto as Exhibit B. No Credit Coupon represents or evidences any right of the Registered Owner thereof to receive any payment of principal or interest, if any, on the Bond.

**(d) *Loss of Qualified Zone Academy Bond Status.*** The District shall make the payment described in paragraph (e) below if any Registered Owner of a Credit Coupon either: (i) receives notice, in any form, from the Internal Revenue Service that due to a final determination by the Internal Revenue Service or by a court of competent jurisdiction (after the District has exhausted all administrative appeal remedies) a Loss of Qualified Zone Academy Bond Status has occurred; or (ii) reasonably determines, based on an opinion of Bond Counsel selected by such Registered Owner and approved by the District (which approval the District may not unreasonably withhold) that a Loss of Qualified Zone Academy Bond Status has occurred. No payment described in paragraph (e) below shall be made relating to any mandatory redemption described in Section 5 above.

**(e) *Equalization Payment.*** If required under paragraph (d) above, the District shall make an "Equalization Payment" to the Registered Owner of a Credit Coupon within 30 days after such Registered Owner notifies the Dist

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Sale of the Bond and Credit Coupons. The Board of Directors hereby authorizes the Authorized Representative for a period of six (6) months from the adoption of this resolution to execute the Purchase Agreement with the Bank for the sale of the Bond (and in connection therewith for the delivery of the Credit Coupons) in the principal amount of \$4,000,000, with a zero percent (0%) interest rate, and maturing on the Maturity Date.

The proper District officials are hereby authorized and directed to do everything necessary for the prompt execution and delivery of the Bond to the Bank and for the proper application and use of the proceeds of sale thereof.

The Servicer as Third Party Beneficiary. The Servicer shall be a third-party beneficiary under this resolution.

Notices. Any notice to or demand upon the following parties shall be given by first class mail, return receipt requested, as set forth below, or to such other addresses as may from time to time be furnished, effective upon the receipt of notice thereof given as provided for in this Section 14.

If to the District: Barbara Gibbs  
Senior Manager of Treasury  
School District No. 1-J Multnomah County  
(Portland Public Schools)  
501 North Dixon Street  
Portland, OR 97227  
Phone: (503) 916-3370

If to the Bank: Kyle J. Leyendecker  
Commercial Banking, VP  
New Mexico Bank & Trust Company  
320 Gold SW, Ste. 100  
Albuquerque, New Mexico 81702  
Phone: (505) 830-8100

Michael J.J. Cox  
Chief Financial Officer  
BluePath Finance LLC  
Phone: (415) 549-0742

If to the Registrar: Corazon Gruenberg, CCTS  
Vice President  
U.S. Bank Global Corporate Trust Services  
555 S.W. Oak Street -PD-OR-P6TD  
Portland, OR 97204  
Phone: (503) 464-3756  
Fax: (503) 464-4122

Notwithstanding any provision to the contrary in this resolution, any information or documents required to be provided by the District to the Registered Owner of the Bond or the Registered Owners of the Credit Coupons may be provided by providing notice of and access to the District's website or other electronic platform containing such information or document. It is acknowledged that distribution of material through any such electronic platform is not necessarily secure and that there

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are confidentiality and other risks associated with such distribution. In consideration for the convenience and other benefits afforded by such distribution and for the other consideration provided hereunder, the receipt and sufficiency of which is hereby acknowledged, the District and the Bank, as

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**EXHIBIT A  
FORM OF BOND**

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The District has covenanted in Resolution No. [\_\_\_\_\_] of the District (the "Resolution"), to make annual deposits to a sinking fund held initially with New Mexico Bank & Trust Company(as may be transferred in connection with a transfer of this Bond as provided in the Resolution) beginning in \_\_\_\_\_ through the Maturity Date indicated above, and on the dates and in the amounts shown in the payment schedule set forth below:

<b>Sinking Fund Payment Date (August 4)</b>	<b>Sinking Fund Payment</b>
8/4/2017	\$200,000.00
8/4/2018	\$200,000.00
8/4/2019	\$200,000.00
8/4/2020	\$200,000.00
8/4/2021	\$200,000.00
8/4/2022	\$200,000.00
8/4/2023	\$200,000.00
8/4/2024	\$200,000.00
8/4/2025	\$200,000.00
8/4/2026	\$200,000.00
8/4/2027	\$200,000.00
8/4/2028	\$200,000.00
8/4/2029	\$200,000.00
8/4/2030	\$200,000.00
8/4/2031	\$200,000.00*
8/4/2032	\$200,000.00
8/4/2033	\$200,000.00
8/4/2034	\$200,000.00
8/4/2035	\$200,000.00
8/4/2036	\$200,000.00

\* The final Sinking Fund Payment will be reduced by the earnings or other moneys on deposit in the QZAB Sinking Fund in excess of the sum of all Sinking Fund Payments made immediately prior to the final Sinking Fund Payment.

This Bond is not subject to prepayment or redemption prior to the Maturity Date, except as described in the Resolution. No payment will be made to the QZAB Sinking Fund or otherwise to the Registered Owner in respect of a Loss of Qualified Zone Academy Bond Status, except to the extent such Registered Owner is also a registered owner of one or more Credit Coupons, and in such case only as further described in such Credit Coupons. This Bond shall bear interest at the Default Interest Rate should the District fail to pay this Bond at the Maturity Date as described in the Resolution or fail to make any Sinking

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accruing and the principal maturing on this Bond promptly when and as they become due, and all amounts due upon a mandatory redemption of this Bond.

This Bond is issued as a "qualified tax credit bond" that is a "qualified zone academy bond" under Sections 54A and 54E of the Internal Revenue Code of 1986, as amended (the "Code"). This Bond does not bear interest on unpaid principal. Ownership of this Bond does not permit the Registered Owner (and does not provide such Registered Owner with an enforceable right to) claim any credits described in Sections 54A and 54E of the Code except to (and limited by) the extent such Registered Owner holds one or more Credit Coupons (as defined in the Resolution) and only to the extent further described in such Credit Coupons.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been manually signed by the Registrar. Capitalized terms used herein and not otherwise defined have the meaning set forth in the Resolution.

This Bond is transferrable as described in the Resolution.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Oregon to exist, to have happened, been done and performed precedent to and in the issuance of this Bond have happened, been done and performed and that the issuance of this Bond does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the District may incur.

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The Registrar's Certificate of Authentication on the Bond shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

This is the Full Faith and Credit Qualified Zone Academy Bond, 2016, of School District No. 1-J,

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**EXHIBIT B  
FORM OF CREDIT COUPON**

**CREDIT COUPON**

**DATED [JULY 20, 2016]**

***[Prepare separate Credit Coupon for each Credit Allowance Date]***

CUSIP No.: [See Exhibit C to Resolution]  
Dated: [July 20, 2016]

Registered Owner: [\_\_\_\_\_]

Notional Amount of this  
Credit Coupon: Par Amount of Bond outstanding on Credit Allowance Date  
Tax Credit Rate: [\_\_\_\_\_] %  
Certificate No. [T-1]  
Credit Allowance Date: [See Exhibit C to Resolution]

**THIS CREDIT COUPON HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF**



July 26, 2016

**EACH TRANSFEREE OF THIS CREDIT COUPON, BY ITS PURCHASE HEREOF, IS DEEMED TO HAVE REPRESENTED THAT SUCH TRANSFEREE IS A U.S. PERSON AND IS EITHER A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT, OR AN INSTITUTIONAL "ACCREDITED INVESTOR," AS THAT TERM IS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) PROMULGATED UNDER THE SECURITIES ACT, AND WILL ONLY TRANSFER, RESELL, REOFFER, PLEDGE OR OTHERWISE TRANSFER THIS CREDIT COUPON TO A SUBSEQUENT TRANSFEREE WHO SUCH TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT, OR IS AN INSTITUTIONAL "ACCREDITED INVESTOR," AS THAT TERM IS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) PROMULGATED UNDER THE SECURITIES ACT, AND WHO IS WILLING AND ABLE TO CONDUCT AN INDEPENDENT INVESTIGATION OF THE RISKS INVOLVED WITH OWNERSHIP OF THIS CREDIT COUPON, AND AGREES TO BE BOUND BY THE TRANSFER RESTRICTIONS.**

**EACH TRANSFEREE OF THIS CREDIT COUPON, BY THE PURCHASE HEREOF, IS DEEMED TO HAVE REPRESENTED THAT SUCH TRANSFEREE IS A QUALIFIED PURCHASER FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT AND A U.S. PERSON, AND WILL ONLY TRANSFER, RESELL, REOFFER, PLEDGE OR OTHERWISE TRANSFER THIS CREDIT COUPON TO A SUBSEQUENT TRANSFEREE WHO IS A QUALIFIED PURCHASER FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT AND IS A U.S. PERSON AND IN A MANNER THAT DOES NOT VIOLATE ANY TRANSFER RESTRICTIONS, AS MORE FULLY DESCRIBED IN THE RESOLUTION.**

THIS CERTIFIES THAT the registered owner specified above, or registered assignee, so long as such registered owner or assignee holds this Credit Coupon in an account with a broker (as defined in Internal Revenue Service Notice 2010-28), has the right to claim a Tax Credit on its federal income tax return in accordance with and subject to Sections 54A and 54E of the Code, Internal Revenue Service Notice 2010-28 and Resolution No. \_\_\_\_\_ (the "Resolution"), adopted at a regular meeting of the Board of Directors of the District on the \_\_\_th day of \_\_\_\_\_, 2016 for the issuance of the \$4,000,000 School District No. 1-J Multnomah County (Portland Public Schools), Oregon, Full Faith and Credit Qualified Zone Academy Bond, 2016 (the "Bond"). The Bond been designated by the District as a qualified zone academy bond pursuant to Sections 54A and 54E of the Code. Capitalized terms used but not defined herein have the meaning assigned to them in the Resolution.

The Owner of this Credit Coupon on the Credit Allowance Date specified above shall have the right to claim a credit on its federal income tax return in an amount equal to 25% of the annual credit determined with respect to the Bond (adjusted for periods of less than three months), being the product of: (a) the Tax Credit Rate set forth above *times* (b) the notional amount of this Credit Coupon. The Owner of this Credit Coupon, by its purchase of this Credit Coupon, acknowledges that the notional amount of this Credit Coupon is equal to the par amount of the Bond outstanding on the Credit Allowance Date specified above, and that such par amount is subject to reduction prior to such Credit Allowance Date in certain instances as further described in the Resolution.

Under the terms of the Resolution, this Credit Coupon is treated as a "Stripped Credit Coupon," as defined in Internal Revenue Service Notice 2010-28, and the Bond is treated as a stripped bond. The Owner of this Credit Coupon shall have the rights described in the Resolution, which includes, among other provisions, provisions for any Equalization Payments described Section 11 of the Resolution.

The transfer of this Credit Coupon is subject to certain restrictions set forth in the Resolution. No purported transfer of any interest in any Credit Coupon or any portion thereof or interest therein that is not made in accordance with the Resolution shall be given effect by or be binding upon the Registrar and any such purported transfer shall be null and void *ab initio* and vest in the transferee no rights against the Registrar.

This Credit Coupon is one of a duly authorized issue of Credit Coupons created by the Resolution. Unless the certificate of authentication hereon has been executed by the Registrar, by

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manual signature, this Credit Coupon shall not be entitled to any benefit under the Resolution or be valid for any purpose.

This Credit Coupon does not purport to summarize the Resolution and reference is made to the Resolution for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Registrar.

This Credit Coupon is issued pursuant to and is subject to all the terms of the Resolution, which describes the rights and obligation of each Owner and by which each Owner, by virtue of its acceptance of this Credit Coupon or beneficial interest therein, assents to and agrees to be bound.

**THE RESOLUTION CONSTITUTES THE CONTRACT GOVERNING THE RIGHTS AND OBLIGATIONS OF THE REGISTERED OWNERS. THIS CREDIT COUPON IS ONLY EVIDENCE OF SUCH CONTRACT AND, AS SUCH, IS SUBJECT IN ALL RESPECT SO THE TERMS OF THE RESOLUTION, WHICH SUPERSEDES ANY INCONSISTENT STATEMENTS IN THIS CREDIT COUPON.**

The recitals contained herein, except for the certificate of authentication, shall not be taken as statements of the Registrar and the Registrar assumes no responsibility for their correctness. The Registrar makes no representation as to the validity or sufficiency of this Credit Coupon, the Bond or the Resolution. This Credit Coupon is executed and delivered by U.S. Bank National Association (the "Registrar") solely in its capacity as Registrar under the Resolution and not in its individual capacity. Amounts, if any, payable under this Credit Coupon are payable solely from amounts related to the Resolution (to the extent of amounts payable under or allocable to the Resolution), and in accordance with the terms of, the Resolution.

WHEREOF, the Registrar has caused this Credit Coupon to be duly executed.

U.S. BANK NATIONAL ASSOCIATION,  
not individually but solely as Registrar

By \_\_\_\_\_  
Authorized Officer/Authorized Signer

**CERTIFICATE OF AUTHENTICATION**

This Credit Coupon is the Credit Coupon for referred to in the within mentioned Resolution.

Dated: \_\_\_\_\_, \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION,  
as Registrar

By \_\_\_\_\_  
Authorized Officer/Authorized Signer

July 26, 2016

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

\_\_\_\_\_  
\_\_\_\_\_

(please print or typewrite name and address including postal zip code of assignee)

the beneficial ownership interest in the Resolution evidenced by the within Credit Coupon and hereby authorize(s) the registration of transfer of such interest to the above named assignee on the Registration books of the Registrar.

I (we) further direct the issuance of a new Credit Coupon of a like authorized denomination evidencing the same aggregate amount and notional amount to the above named assignee and delivery of such Credit Coupon to the following address:

\_\_\_\_\_  
\_\_\_\_\_

Dated: \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Signature by or on behalf of Assignor

\_\_\_\_\_  
Signature Guaranteed

**DISTRIBUTION INSTRUCTIONS**

The assignee should include the following for purposes of distribution:

Distributions shall, if permitted, be made by wire transfer or otherwise, in immediately available funds, to \_\_\_\_\_  
for the account of \_\_\_\_\_

Distributions made by check (such check to be made payable to \_\_\_\_\_)  
and all applicable statements and notices should be mailed to

This information is provided by \_\_\_\_\_, the assignee named above, or  
\_\_\_\_\_, as its agent.

**EXHIBIT C**  
**CUSIP NUMBERS RELATING TO**

July 26, 2016

**RESOLUTION No. 5315**

Minutes

The following minutes are offered for adoption:

June 28, 2016