OFFICIAL STATEMENT DATED JUNE 17, 2015

NEW ISSUE **RATING: S&P: "AA" (Insured)**
BOOK ENTRY ONLY **See the caption "RATING" herein.**

In the opinion of Bond Counsel, based on existing statutes, regulations, rulings and court decisions, the interest on the Series 2015 Bonds is excluded from gross income for federal income tax purposes, subject to the condition that the Board comply with all requirements of the Internal Revenue Code that must be satisfied subsequent to and following the issuance of the Series 2015 Bonds, and the Series 2015 Bonds and interest thereon are exempt from all Arkansas state, county and municipal taxes. In the opinion of Bond Counsel, interest on the Series 2015 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although it is included in book income in calculating the corporate alternative minimum taxable income. Bond Counsel expresses no other opinions with regard to federal tax consequences arising from ownership of the Bonds. See "TAX EXEMPTION" herein.

$25,875,000
BOARD OF TRUSTEES OF PULASKI TECHNICAL COLLEGE
STUDENT TUITION AND FEE REFUNDING REVENUE BONDS,
SERIES 2015

Dated: July 1, 2015 Due: September 1, as shown below

The Series 2015 Bonds (the "Bonds") are being issued by the Board of Trustees (the "Board") of Pulaski Technical College (the "College") pursuant to Arkansas Code Annotated §§ 6-61-1001 through 1014 (Repl. 2009; Supp. 2013) under a Trust Indenture dated July 1, 2015 (the "Indenture") between the Board and Bank of the Ozarks, Little Rock, Arkansas (the "Trustee") for the purpose of refunding the Board's outstanding $16,540,000 Student Tuition and Fee Revenue Bonds, Series 2004 (the "Series 2004 Bonds") and the Board's outstanding $15,000,000 Student Tuition and Fee Revenue Bonds, Series 2006 (the "Series 2006 Bonds"). The Bonds are on a parity with the Board's outstanding $69,485,000 Student Tuition and Fee Revenue Capital Improvement and Refunding Bonds, Series 2011 (the "Series 2011 Bonds").

The Bonds are issuable as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Bonds will be made so long as Cede & Co. is the registered owner of the Bonds. Individual purchases of the Bonds will be made only in book-entry form, in the denomination of $5,000 or any integral multiple thereof. Individual purchasers of the Bonds ("Beneficial Owners") will not receive physical delivery of bond certificates. See "THE BONDS" and "BOOK-ENTRY ONLY SYSTEM" herein.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by **BUILD AMERICA MUTUAL ASSURANCE COMPANY**.

BAM

Interest is payable on September 1, 2015, and semiannually thereafter on March 1 and September 1 of each year. Principal of and interest on the Bonds shall be payable to the person in whose name such Bonds are registered on the bond registration books maintained by the Trustee. Disbursement of such payments to DTC Participants is the responsibility of DTC, and disbursement of such payments to Beneficial Owners is the responsibility of DTC Participants, as more fully described herein.

The Bonds are subject to redemption prior to maturity as described herein.

MATURITY SCHEDULE

Serial Bonds

Maturity (September 1)	Amount	Coupon	Yield	Maturity (September 1)	Amount	Coupon	Yield
2015	$1,045,000	2.000%	0.450%	2018	$770,000	2.000%	1.720%
2016	740,000	2.000%	0.800%	2019	785,000	3.000%	2.060%
2017	750,000	2.000%	1.280%	2020	810,000	3.000%	2.400%

Term Bonds

$4,765,000 3.000% Term Bonds Due September 1, 2025; Yield: 3.200%
$7,290,000 5.000% Term Bonds Due September 1, 2030; Yield: 3.680%
$8,920,000 4.000% Term Bonds Due September 1, 2036; Yield: 4.088%

The Bonds are offered, subject to prior sale, when, as and if issued by the Board and accepted by the Underwriter, subject to the approval of Williams & Anderson PLC, Little Rock, Arkansas, Bond Counsel, and subject to certain other conditions. It is expected that the Bonds will be available for delivery at the facilities of DTC in New York, New York, on or about July 1, 2015.

Stephens Inc.
Investment Bankers

No dealer, broker, salesman or other person has been authorized by the Board, the College, the Bond Counsel or the Underwriter to give any information or to make any representation other than that contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any offer, solicitation or sale of the Bonds by or to any person in any jurisdiction in which it is unlawful to make such offer, solicitation or sale.

The information set forth herein under the caption "Description of the College" has been furnished by the College, except where otherwise noted. All other information set forth herein has been obtained from sources other than the College that are believed to be reliable, but the adequacy, accuracy or completeness of such information is not guaranteed by, and it cannot be construed as a representation by, the Board, the Bond Counsel, or the Underwriter. The information and expressions of opinion herein are subject to change without notice. Neither the delivery of this Official Statement nor the sale of any of the Bonds implies that there has been no change in the matters described herein since the date hereof or that the information herein is correct as of any time subsequent to its date.

The Bonds have not been registered under the Securities Act of 1933, as amended, nor has the Indenture described herein been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions in such laws from such registration and qualification.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Build America Mutual Assurance Company ("BAM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "Bond Insurance" and Appendix C - Specimen Municipal Bond Insurance Policy."

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OFFICIAL STATEMENT

$25,875,000
BOARD OF TRUSTEES OF PULASKI TECHNICAL COLLEGE
STUDENT TUITION AND FEE REFUNDING REVENUE BONDS,
SERIES 2015

SUMMARY OF THE OFFICIAL STATEMENT

This summary is subject in all respects to the more complete information contained in this Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement, including the cover page.

Purpose of Official Statement. This Official Statement is provided to furnish certain information in connection with the issuance by the Board of Trustees (the "Board") of Pulaski Technical College (the "College"), a community college established under the laws of the State of Arkansas, of its Student Tuition and Fee Refunding Revenue Bonds, Series 2015, dated July 1, 2015, in the aggregate principal amount of $25,875,000 (the "Bonds").

The College. The College was established in October 1945 as the Little Rock Vocational Technical School, under the supervision of the Little Rock Public Schools. In October, 1969, administration of the school was transferred to the State Board of Vocational Education and the school was renamed Pulaski Vocational Technical School. The Arkansas General Assembly, by Act No. 1244 of 1991, designated Pulaski Vocational Technical School as Pulaski Technical College, effective July 1, 1991, and it became part of the Arkansas Technical and Community College System under the coordination of the Arkansas Higher Education Coordinating Board. The College now offers a comprehensive program designed to serve the post-secondary educational needs of its students. See DESCRIPTION OF THE COLLEGE.

Purpose. The proceeds from the Bonds will be applied to: (a) refund the Board's outstanding $16,540,000 Student Tuition and Fee Revenue Bonds, Series 2004 (the "Series 2004 Bonds" and the Board's outstanding $15,000,000 Student Tuition and Fee Revenue Bonds, Series 2006 (the "Series 2006 Bonds"); (b) fund a debt service reserve fund; and (c) pay the expenses of issuing the Bonds. The Bonds are on a parity with the Board's outstanding $69,485,000 Student Tuition and Fee Revenue Capital Improvement and Refunding Bonds, Series 2011 (the "Series 2011 Bonds"). See THE BONDS - Purpose.

Security and Source of Payment. The Bonds will be general obligations of the Board, secured by a pledge of gross revenues derived from the student tuition and fees payable by students of the College (the Pledged Revenues"). See "THE BONDS."

Delivery of Bonds. It is expected that the Bonds will be available for delivery on or about July 1, 2015 at the offices of DTC in New York, New York.

THE BONDS

Generally. The Bonds are being issued by the Board pursuant to Arkansas Code Annotated §§ 6-61-1001 through 1014 (Repl. 2009; Supp. 2013), under a Trust Indenture dated as of July 1, 2015 (the "Indenture"), between the Board and Bank of the Ozarks, Little Rock, Arkansas, as Trustee and Paying Agent (the "Trustee"), for the purposes described herein.

The Bonds are issuable only as fully registered bonds in the denomination of $5,000 or any integral multiple thereof, and will be initially registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds.

The principal of and the redemption premium, if any, on the Bonds is payable by check or draft upon presentation and surrender at the principal corporate trust office of the Trustee. Interest is due and payable on March 1 and September 1 of each year (each an "Interest Payment Date") commencing on September 1, 2015. Interest on the Bonds (other than upon redemption) will be paid by check or draft of the Trustee mailed to the registered owner (the "Owner") thereof determined as of the close of business on the fifteenth day of the calendar month next preceding the Interest Payment Date, or if such day is not a business day, the preceding business day (the "Record Date"), provided that with respect to overdue interest, the Trustee shall pay such overdue interest to the person in whose name the Bond is registered at the close of business on the fifth business day preceding such payment. Owners of the Bonds in an aggregate principal amount of not less than $1,000,000 may arrange for payment of interest on and principal of such Bonds by wire transfer of immediately available federal funds, by notice to the Trustee as provided in the Indenture and upon the terms and conditions of the Trustee. However, for so long as DTC or its nominee is the Owner of the Bonds, interest may be payable by such other means of payment as may be acceptable to the Trustee and DTC. Payments of principal and interest on the Bonds will then be redistributed by DTC. See "BOOK-ENTRY ONLY SYSTEM" herein.

Authority. The Bonds are being issued under the authority of the Constitution and laws of the State of Arkansas, including particularly Amendment No. 52 to the Arkansas Constitution and Arkansas Code Annotated §§6-61-1001 through 1014 (Repl. 2009; Supp. 2013), and resolutions of the Board and of the Arkansas State Board of Higher Education, acting in its capacity as the State Community College Board.

Amendment No. 52 to the Arkansas Constitution authorizes the establishment of two-year colleges for the purpose of providing community college instruction and technical training and permits the Arkansas General Assembly to prescribe the method of financing community colleges.

Community college bonds may be issued for the purposes of financing the cost of acquiring lands, constructing and equipping improvements, buildings and facilities, paying for interest on bonds during construction, refunding outstanding indebtedness and paying for the expenses of issuing bonds.

The sale and issuance of the Bonds was authorized by resolution of the Board on June 17, 2015.

Purpose. The proceeds from the Bonds will be applied to: (a) refund the Board's outstanding $16,540,000 Student Tuition and Fee Revenue Bonds, Series 2004 (the "Series 2004 Bonds" and the Board's outstanding $15,000,000 Student Tuition and Fee Revenue Bonds, Series 2006 (the "Series 2006 Bonds"); (b) fund a debt service reserve fund; and (c) pay the expenses of issuing the Bonds. The Bonds are on a parity with the Board's outstanding $69,485,000 Student Tuition and Fee Revenue Capital Improvement and Refunding Bonds, Series 2011 (the "Series 2011 Bonds").

Optional Redemption. The Bonds are subject to redemption prior to maturity (in increments of $5,000 or a whole Bond) in inverse order of maturities (less than all of the Bonds of a single maturity to be selected by lot by the Trustee in such manner as it may determine) at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption, in part or in whole at any time on or after September 1, 2025.

Mandatory Sinking Fund Redemption. The Bonds due September 1, 2025, September 1, 2030 and September 1, 2036 will be subject to mandatory sinking fund redemption and payment on a pro rata basis prior to maturity in part at a redemption price of one hundred percent (100%) of the principal amount thereof plus interest accrued thereon to the redemption date on the dates set forth below:

$4,765,000 3.000% Term Bonds due September 1, 2025

September 1	Principal Amount
2021	$ 835,000
2022	860,000
2023	890,000
2024	915,000
2025*	1,265,000

$7,290,000 5.000% Term Bonds due September 1, 2030

September 1	Principal Amount
2026	$1,315,000
2027	1,385,000
2028	1,450,000
2029	1,530,000
2030*	1,610,000

$8,920,000 4.000% Term Bonds due September 1, 2036

September 1	Principal Amount
2031	$1,680,000
2032	1,740,000
2033	1,815,000
2034	1,890,000
2035	880,000
2036*	915,000

* Final maturity.

Redemptions pursuant to this paragraph shall be made pro rata, rounded to the nearest $5,000, among the owners of the Bonds due September 1, 2025, September 1, 2030 and September 1, 2036 by redeeming from each such Owner that principal amount which bears the same proportion to the principal amount of such stated maturity registered in the name of such Owner as the total principal amount of such stated maturity to be redeemed on any sinking fund payment date bears to the aggregate principal amount of such stated maturity Outstanding prior to redemption. If the Trustee cannot make a strict pro rata redemption among the owners of a stated maturity, the Trustee shall redeem more or less than a pro rata portion from one or more owners of such stated maturity in such manner as the Trustee deems fair and reasonable. In connection with any such redemption prior to maturity, the Trustee shall make appropriate entries in the Bond Register to reflect a portion of any Bond so redeemed and the amount of the principal remaining outstanding. The Trustee's notation in the Bond Register shall be conclusive as to principal amount of any Outstanding Bond at any time.

On or before the forty-fifth (45th) day immediately preceding any September 1 on which Bonds are to be retired pursuant to the applicable sinking fund requirement, the Board will be permitted to (i) deliver to the Trustee for cancellation, Bonds or portions thereof in any aggregate principal amount desired, or (ii) receive a credit with respect to the sinking fund requirement for any Bonds that before said date have been purchased or redeemed (other than through mandatory sinking fund redemption) and cancelled by the Trustee and not theretofore applied as a credit against such sinking fund requirement. Each such Bond or portion thereof so delivered or previously purchased or redeemed and cancelled by the Trustee will be credited by the Trustee at one hundred percent (100%) of the principal amount thereof against the sinking fund requirement on such mandatory sinking fund redemption date and any excess over such amount will be credited against future sinking fund requirements in chronological order, and the principal amount of the Bonds will be accordingly reduced.

The Board will receive a credit against amounts required to be transferred from the Bond Fund to meet the applicable sinking fund requirement during each year in the amount of one hundred percent (100%) of the principal amount of any Bonds that are redeemed as described above. Any principal amount of such Bonds so delivered to the Trustee and cancelled in excess of the applicable sinking fund requirement on each September 1 will be credited against and reduce the principal amount of future sinking fund requirements for the applicable series pro rata as provided above.

Notice of Redemption. Notice of redemption shall be mailed by first-class mail to each Owner at his, her or its address as shown on the registration books maintained by the Trustee, and placed in the mail not less than thirty days nor more than forty-five days prior to the date fixed for redemption. Each notice shall specify the numbers, the CUSIP numbers, and the maturities of the Bonds or portion thereof being called and the date on which they shall be presented for payment.

After the date specified in such call, the Bonds so called will cease to bear interest, provided that funds for their payment have been deposited with the Trustee, and, except for the purpose of payment, shall no longer be protected by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

While the Bonds are being held by DTC under the book-entry system, notice of redemption will be sent only to DTC. See "BOOK-ENTRY ONLY SYSTEM" below.

Additional Parity Bonds. No Additional Bonds may be issued with a prior pledge of the Pledged Revenues. Additional Bonds may be issued ranking on a parity of security with, or on a subordinate pledge of security to, the Bonds as set forth in the following paragraph.

Priority Among Successive Bond Issues. Additional Bonds may be issued by resolution of the Board on a parity of security with the Bonds and any additional parity bonds then Outstanding and also secured by the Pledged Revenues, so long as the Pledged Revenues are at least equal to one hundred fifty percent (150%) of the debt service on the Additional Bonds proposed to be issued and the debt service on the then Outstanding Series 2011 Bonds, the Bonds and any additional parity bonds, on an annualized basis, as of the then current calendar year; provided, however, that appropriate adjustments may be made to account for any bonds that are being refunded with the proceeds of the Additional Bonds proposed to be issued.

Trustee. Principal of the Bonds is payable at the principal office of the Trustee in Little Rock, Arkansas. Interest on the Bonds is payable by check or draft of the Trustee mailed to the registered owners at their registered addresses. Owners of the Bonds in an aggregate principal amount of not less than $1,000,000 may arrange for payment of interest on and principal of such Bonds by wire transfer of immediately available federal funds, by notice to the Trustee as provided in the Indenture and upon the terms and conditions of the Trustee. However, for so long as DTC or its nominee is the Owner of the Bonds, interest may be payable by such other means of payment as may be acceptable to the Trustee and DTC. Payments of principal and interest on the Bonds will then be redistributed by DTC. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Trustee shall only be responsible for the exercise of good faith and reasonable prudence in the execution of its trust. The Trustee is not required to take any action for the protection of registered owners unless it has been requested to do so in writing by the Beneficial Owners of not less than 25% in principal amount of the Bonds then Outstanding and offered reasonable security and indemnity against the cost, expenses and liabilities to be incurred therein or thereby.

The Trustee may resign by giving notice in writing to the Secretary of the Board. Such resignation shall be effective upon the appointment of a successor Trustee by the Board and acceptance of appointment by the successor. If the Board fails to appoint a successor Trustee within 30 days of receiving notice of resignation, the Trustee may apply to a court of competent jurisdiction for appointment of a successor. The holders of a majority in principal amount of outstanding Bonds may at any time, with or without cause, remove the Trustee and appoint a successor Trustee.

Modification of Bonds. The terms of the Bonds and the Indenture will constitute a contract between the Board and the registered owners. The Beneficial Owners of not less than 66 2/3% aggregate principal amount of the Bonds then Outstanding have the right, from time to time, to consent to the adoption by the Board of resolutions modifying any of the terms or provisions contained in the Bonds or the Indenture; provided, however, there shall not be permitted (a) any extension of the maturity of the principal of or interest on any Bond, or (b) a reduction in the principal amount of any Bond or the rate of interest thereon, or (c) the creation of any additional pledge on the Pledged Revenues other than as authorized in the Indenture, or (d) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required for such consent.

Defeasance. When all the Bonds shall have been paid or deemed paid, the pledge in favor of the Bonds shall be discharged and satisfied. A Bond shall be deemed paid when there shall have been deposited in trust with the Trustee or with another bank or trust company (which other bank or trust company must be a member of the Federal Reserve System), as escrow agent under an escrow deposit agreement requiring the escrow agent to apply the proceeds of the deposit to pay the principal of and interest on the Bond as due at maturity or upon redemption prior to maturity, moneys or Government Securities sufficient to pay when due the principal of and interest on the Bond. If the principal of the Bond is to become due by redemption prior to maturity, notice of such redemption must have been duly given or provided for. "Government Securities" shall mean direct or fully guaranteed obligations of the United States of America that are noncallable and mature on or prior to the maturity or redemption date of the Bonds. In determining the sufficiency of a deposit, there shall be considered the principal amount of such Government Securities and interest to be earned thereon until their maturity.

Defaults and Remedies. If there is any default in the payment of the principal of or interest on any Bond, or if the Board defaults in the performance of any other covenant in the Indenture, the Trustee may, and upon the written request of the Beneficial Owners of not less than 25% in principal amount of the Bonds then Outstanding shall (i) by proper suit, compel the performance of the duties of the officials of the College or the Board under the Constitution and laws of the State of Arkansas and under the Indenture and/or (ii) protect and enforce the rights of the registered owners by instituting appropriate proceedings at law or in equity or by other action deemed necessary or desirable by the Trustee. If any default in the payment of principal or interest continues for 30 days, the Trustee may, and upon the request of the Beneficial Owners of not less than 25% in principal amount of the then Outstanding Bonds shall, declare all Outstanding Bonds immediately due and payable together with accrued interest thereon.

No Beneficial Owner of any Bond shall have any right to institute any suit, action, mandamus or other proceedings in equity or at law for the protection or enforcement of any right under the Bonds or the Indenture or under the Constitution and laws of the State of Arkansas, unless such Beneficial Owner previously shall have given written notice to the Trustee of the default, and unless the Beneficial Owners of not less than 25% in principal amount of the then Outstanding Bonds shall have made written request of the Trustee to take action, shall have afforded the Trustee a reasonable opportunity to take such action, and shall have offered to the Trustee reasonable security and indemnity against the cost, expenses and liabilities to be incurred and the Trustee shall have refused or neglected to comply with such request within a reasonable time. No one or more Beneficial Owners of the Bonds shall have any right in any manner by his, her, its or their action to affect, disturb or prejudice the security of the Indenture, or to enforce any right thereunder except in the manner provided in the Indenture. All proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture and for the benefit of all Beneficial Owners of Outstanding Bonds. Any individual rights of action are restricted by the Indenture to the rights and remedies therein provided. Nothing shall, however, affect or impair the right of any Beneficial Owner to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof.

Action may be taken by the Trustee without possession of any Bonds, and any such action shall be brought in the name of the Trustee and for the benefit of all the Beneficial Owners of Bonds.

No delay or omission of the Trustee or any Beneficial Owner to exercise any right or power accrued upon any default shall impair any such right or power or be construed to be a waiver of any such default or acquiescence thereof, and every power and remedy given to the Trustee and to the Beneficial Owners may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon the written request of the Beneficial Owners of not less than 25% in principal amount of the Bonds then Outstanding shall, waive any default which shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding or before the completion of the enforcement of any other remedy. No such waiver shall extend to or affect any other existing or subsequent default or defaults or impair any rights or remedies consequent thereon.

There is no requirement that the College or Board furnish periodic evidences as to the absence of default or as to the compliance with the terms of the Bonds, the Indenture or law.

SECURITY FOR THE BONDS

The Bonds will be general obligations of the Board payable from and secured by a pledge of the revenues derived from the student tuition and fees payable by students of the College (the "Pledged Revenues"). Such pledge of and lien on the Pledged Revenues will be on a parity with the Series 2011 Bonds.

The Pledged Revenues will be deposited as received into the Pledged Revenue Account maintained by the College separate and apart from the Funds established by the Indenture. On or before fifteen (15) days prior to an Interest Payment Date, the College will transfer moneys from the Pledged Revenue Account to the Bond Fund in an amount sufficient to pay, after taking into account moneys on deposit in the Bond Fund, the interest, principal (if any), and Trustee fees that will be due on or before the next Interest Payment Date. The Bond Fund will be held by, or under the direction of, the Trustee. Moneys in the Bond-Fund will be used solely for the payment of principal of, interest on and fees of the Trustee in connection with the Bonds, except as otherwise specifically provided in the Indenture. See SUMMARY OF THE INDENTURE, Bond Fund.

The Debt Service Reserve Fund will hold the Debt Service Fund Insurance Policy, which will be used to pay principal of and interest on the Bonds to the extent that Bond Fund moneys are insufficient for that purpose. Build America Mutual Insurance Company has committed to issue its Municipal Bond Debt Service Reserve Insurance Policy (the "Policy"). The Policy is issued pursuant to a Debt Service Reserve Agreement, and the Policy constitutes an instrument eligible for deposit to the debt service reserve fund. See SUMMARY OF THE INDENTURE, Debt Service Reserve Fund.

The Trustee will be the depository of the Bond Fund and the Debt Service Reserve Fund. Moneys in either Fund in excess of that insured by the Federal Deposit Insurance Corporation must be continuously secured by direct or fully guaranteed obligations of the United States of America, unless invested in direct or fully guaranteed obligations of the United States of America maturing not later than the date needed to pay debt service requirements on the Bonds.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company ("BAM") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an exhibit to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation. BAM provides credit enhancement products solely to issuers in the U.S. public finance markets. BAM will only insure obligations of states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.buildamerica.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by Standard and Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at www.standardandpoors.com. The rating of BAM should be evaluated independently. The rating reflects the S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of March 31, 2015 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $466.5 million, $22.2 million and $444.3 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.buildamerica.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE".

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at buildamerica.com/creditinsights/.

Obligor Disclosure Briefs. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Obligor Disclosure Brief for those bonds. These pre-sale Obligor Disclosure Briefs provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Obligor Disclosure Briefs will be updated and superseded by a final Obligor Disclosure Brief to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Obligor Disclosure Briefs are easily accessible on BAM's website at buildamerica.com/obligor/. BAM will produce an Obligor Disclosure Brief for all bonds insured by BAM, whether or not a pre-sale Obligor Disclosure Brief has been prepared for such bonds.

Disclaimers. The Obligor Disclosure Briefs and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Obligor Disclosure Briefs and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Obligor Disclosure Briefs and Credit Insight videos are prepared by BAM and have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and they assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise.

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning The Depository Trust Company, New York, New York ("DTC") and DTC's book entry system has been obtained from DTC, and neither the College nor the Board assume any responsibility for the accuracy thereof.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each series of the Bonds, in the aggregate principal amount of such series, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over two million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: "AAA." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of a beneficial interest in the Bonds ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners, will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Board or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Board or the Trustee, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Board or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificates are required to be printed and delivered.

Each Beneficial Owner for whom a Direct Participant or Indirect Participant acquires an interest in the Bonds, as nominee, may desire to make arrangements with such Direct Participant or Indirect Participant to receive a credit balance in the records of such Direct Participant or Indirect Participant, to have all notices of redemption, elections to tender Bonds or other communications to or by DTC which may affect such Beneficial Owner forwarded in writing by such Direct Participant or Indirect Participant, and to have notification made of all debt service payments.

Beneficial Owners may be charged a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation to any transfer or exchange of their interests in the Bonds.

The College, the Board, the Trustee and the Underwriter of the Bonds cannot and do not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute payments of principal of, premium, if any, or interest on the Bonds paid to DTC or its nominee, as the registered owner, or any redemption or other notices, to the Beneficial Owners or that they will do so on a timely basis or will serve and act in a manner described in this Official Statement. Neither the College, the Board, the Trustee nor the Underwriter are responsible or liable for the failure of DTC, Direct Participants or Indirect Participants to make any payment or give any notice to a Beneficial Owner in respect of the Bonds or any error or delay relating thereto.

In reading this Official Statement, it should be understood that while the Bonds are in the Book-Entry System, references in other sections of this Official Statement to holder, bondholder or Registered Owner should be read to include the Beneficial Owners of the Bonds, but (a) all rights of ownership must be exercised through DTC and the Book-Entry System and (b) notices that are to be given to registered owners by the Board or the Trustee will be given only to DTC.

The information in this section concerning DTC and DTC's Book-Entry System has been obtained from DTC; none of the College, the Board, the Trustee, the Underwriter, or Bond Counsel take any responsibility for the accuracy thereof.

SOURCES AND USES OF FUNDS

The sources and uses of (i) the refunding of the Series 2004 Bonds and the Series 2006 Bonds, (ii) funding a debt service reserve fund, and (iii) paying costs of issuing the Bonds, are as follows:

Sources:

Par Amount of Bonds	$25,875,000.00
Transfers from Prior Issue Debt Service Reserve Funds	1,086,574.72
Reoffering Premium	699,681.35
Total Sources:	**$27,661,256.07**

Uses:

Deposit to Current Refunding Fund	$27,032,829.59
Costs of Issuance (including Underwriter's Discount and Insurance Premiums)	628,426.48
Total Uses:	**$27,661,256.07**

DESCRIPTION OF THE COLLEGE

The information set forth in this portion of the Official Statement was obtained from representatives of the College or other sources as indicated herein and is believed to be accurate. The College has not independently verified the information obtained from sources other than the College.

Generally. The College is a technical college established under the authority of the Constitution and laws of the State of Arkansas, including particularly the Two-Year Postsecondary Education Reorganization Act of 1991, codified as Chapter 53 of the Arkansas Code of 1987 Annotated, for the purpose of providing post-secondary education. The College is located at 3000 West Scenic Drive, North Little Rock, Arkansas 72118.

Formation and History. Pulaski Technical College was established in October 1945 as the Little Rock Vocational Technical School, under the supervision of the Little Rock Public Schools. In October 1969, administration of the school was transferred to the State Board of Vocational Education and the school was renamed Pulaski Vocational Technical School.

Early in the 1970's, 137 acres declared surplus by the Veterans Administration was transferred to the North Little Rock School District, and the College was given 40 acres for a new school site. The College moved from 14th and Scott in Little Rock to its present location in January 1976. The original Administration/Main building contained 36,000 square feet.

The Arkansas General Assembly, by Act No. 1244 of 1991, designated Pulaski Vocational Technical School as Pulaski Technical College, effective July 1, 1991, which became part of the Arkansas Technical and Community College system under the coordination of the Arkansas Higher Education Coordinating Board.

Pulaski Technical College is now a comprehensive, two-year college that serves the educational needs of central Arkansas through more than 90 occupational/technical degree and certificate programs, a university-transfer curriculum and specialized programs for business and industry.

The College's mission is to provide access to high-quality education that promotes student learning, to enable individuals to develop to their fullest potential and to support the economic development of the state.

In the past 35 years, Pulaski Technical College campus locations have undergone a number of expansions and now contain more than 700,000 square feet of instructional and services space. Highlights are as follows:

- The original Administration/Main building on the main campus in North Little Rock was constructed in 1976 and expanded in 1980 to house additional technical/industrial programs.
- The Industrial Technology building was constructed in 1984 on the main campus.
- An Aerospace Technology Center at the North Little Rock Airport and a Business building on the main campus were added in 1985.
- The Automotive Technology Center on the main campus was occupied in 1987, and a second phase was completed in the spring of 1989.
- The Science building on the main campus was completed in 1996.
- An Information Technology Center was added in fall 1999.
- A Business and Industry Center near the Little Rock National Airport was completed in spring 2000 to house customized training programs and continuing education for local companies.
- In 2000, the college assumed operation of the Saline County Adult Education Center in Benton.
- In fall 2002, the College completed the construction of an Allied Health Education Center on the main campus, which houses the Allied Health and Human Services programs and some general education courses.
- Also in 2002, Alcoa, Inc. donated a 50-acre campus and seven buildings in Saline County to the College for development of the Saline County Career Center.
- In 2005, the College purchased a building on Kanis Road in Little Rock to house general education, education and business classes.
- Also in 2005, the College purchased a 153,600 square-foot facility in Little Rock, which was renovated and opened in 2008 with programs in Transportation Technology, Culinary Arts and general education.
- The College completed construction of a 91,119 square-foot Campus Center in 2006, which houses Student Services, the Business Office, the Pulaski Tech Bookstore, an Advising and Career Center, food services and cafeteria, classrooms, and faculty offices.
- The Ottenheimer Library, originally built in 1996, also was expanded by 12,000 square feet in 2006.
- In 2009, the College expanded with an additional 25,000 square feet the Aerospace Technology Center at the North Little Rock Airport with a new hangar-style laboratory and classroom complex.
- In 2010, a former collision repair technology lab on the main campus was converted into a Weatherization Training Center.
- In 2011, the College opened a Business Technology Center on the main campus in North Little Rock.
- In 2013, the College opened the Culinary Arts and Hospitality Management Center.
- In December of 2015, the College will open the Center for Humanities and Arts.

Organization. The Board of Trustees of the College is the governing body of the College. The Board consists of seven members appointed by the Governor and subject to the confirmation of the Senate. The term of office of the Board members is seven years. Members of the Board must be qualified electors of the service area of the College.

The present members of the Board are as follows:

Name	Business or Profession	Term Expires July 1
Ronald Dedman, Chair	Manager – AT&T	2016
James Herzfield, Vice Chair	Retired	2017
Diane Bray	Business Owner	2015
MaryJane Rebick	Business Owner	2018
Tamika Edwards	Manager-AR Advocates for Children & Families	2020
Kent Walker	Attorney	2019
Emily Jordan Cox	Manager-City of Little Rock	2021

Executive Officials. The principal executive officers of the College and their education and experience are briefly summarized as follows:

Margaret Ellibee - President

Education: PhD.; MS.; B.S.

Experience:
President - 2 years
Vice President for Strategic Effectiveness and Advancement – 5 years at Waukesha County Technical College (WCTC)
State Director of Secondary & Career Technical Education in Wisconsin - 3 years

Michael DeLong – Executive Vice President and Provost

Education: PhD.; MA.; BA

Experience:
Executive Vice President and Provost – 2½ years
Vice President for Academic Affairs at Ozarka College – 6 years
Associate VP for Academic Affairs at Oklahoma State – 5 years
Department Chair – Oklahoma State – 3 years
Professor – Oklahoma State – 3 years

Patricia Palmer – Vice President for Finance

Education: B.S.; CPA; M.B.A.

Experience:
Vice President for Finance – 13¼ years
Chief Fiscal Officer - 9½ years
Assistant Director for Finance - 8 years
Accounting experience - 30 years

Mary Ann Shope – Vice President for Learning

Education: M.A.; B.S

Experience:
Vice President for Learning – 2 years
Vice President for Economic Development – 5 years
Director of Advancement and Public Relations – 3 years
Dean of Corporate and Continuing Education – 6 years
Director of Workplace Skills Enhancement –6 years

Enrollment and Revenues. The following table compares the enrollment of the College, together with the associated student tuition and fee revenues, for the years indicated. GASB 34 and GASB 35 reporting requirements did not begin until 2001-02:

Year	Semester Enrollment Fall	Semester Enrollment Spring	Gross Tuition & Fee Revenues	Scholarships Disc & Allowance	Net Tuition & Fee Revenue
1996-97	1,638	1,800	1,625,342		1,625,342
1997-98	2,469	2,639	2,057,290		2,057,290
1998-99	3,356	3,410	3,326,781		3,326,781
1999-00	4,112	4,011	4,260,805		4,260,805
2000-01	4,306	4,378	5,156,692		5,156,692
2001-02	4,966	4,992	6,274,923	2,088,339	4,186,584
2002-03	5,348	5,713	7,907,190	3,263,645	4,643,545
2003-04	6,128	6,791	10,438,842	4,867,897	5,570,945
2004-05	7,222	7947	12,917,838	6,468,379	6,449,459
2005-06	7,863	8277	14,479,977	7,510,749	6,969,228
2006-07	8455	8640	16,035,182	8,469,899	7,565,283
2007-08	8750	8962	17,377,258	9,252,408	8,124,850
2008-09	9,092	9,812	19,612,809	10,130,988	9,481,821
2009-10	10,255	11165	24,150,584	13,869,717	10,280,867
2010-11	11,199	11,460	27,633,090	17,161,182	10,471,908
2011-12	11,946	11,876	28,872,435	19,162,131	9,710,304
2012-13	11,938	11,619	29,912,282	19,274,585	10,637,697
2013-14	10,528	9,978	29,443,621	18,851,166	10,592,455
2014-15	9,241	8,321	*	*	*

* The Pulaski Tech Fiscal year does not end until June 30, 2015. While the enrollment figures for fall 2014 and spring 2015 are known, Pulaski Tech is still awarding financial aid for the summer term, so scholarships, discounts and allowances cannot be computed accurately. Also, adjusting entries to match revenues will not be completed until July, 2015.

The tuition and fee charges for students are as follows for the years indicated, based on the maximum credit hours possible in each of the years per semester:

Fiscal Year Ends June 30	Tuition Per Semester	Tuition Rate
1993	$ 348	$29
1994	420	35
1995	456	38
1996	492	41
1997	492	41
1998	504	42
1999	546	42
2000	630	42
2001	846	47
2002	900	50
2003	1,008	56
2004	1,323	63
2005	1,365	65
2006	1,428	68
2007	1,512	72
2008	1,554	74
2009	1,617	77
2010	1,680	80
2011	1,722	82
2012	1,764	84
2013	1,890	90
2014	1,995	95

Tuition is paid on a per-credit-hour basis, subject to a maximum. The permitted maximum was originally 12 credit hours. The maximum changed to 13 credit hours in fiscal year 1999, 15 credit hours in fiscal year 2000, 18 credit hours in fiscal year 2001, and 21 credit hours in fiscal year 2014.

Fee revenue of the College primarily consists of testing fees, registration fees, facility fees, and public safety fees.

Degrees. In addition to the Associate of Arts (AA), the Associate of Arts in Teaching (AAT), and the Associate of Science (AS) in Computer Science and Information Science and the Associate of General Studies (A.G.S.), the College offers Associate of Applied Science degrees in the following occupational programs:

A.A.S. in Air Conditioning & Refrigeration
A.A.S. in Allied Health
A.A.S. in Applied Electronics Technology
A.A.S. in Aviation
A.A.S. in Aviation Maintenance Technology
A.A.S. in Baking and Pastry Arts
A.A.S. in Business
A.A.S. in Computer Information Systems
A.A.S. in Construction Management
A.A.S. in Crime Scene Investigation
A.A.S. in Culinary Arts
A.A.S. in Drafting and Design Technology
A.A.S. in Early Childhood Development
A.A.S. in Environmental/Safety Technology
A.A.S. in General Technology
A.A.S. in Hospitality Management
A.A.S. in Industrial Technology
A.A.S. in Law Enforcement Administration
A.A.S. in Manufacturing Technology
A.A.S. in Military Technologies
A.A.S. in Paralegal Technology
A.A.S. in Respiratory Technology

Technical Certificates are awarded in: Accounting, Air Conditioning and Refrigeration, Collision Repair Technology, Automotive Technology, Aviation Maintenance-Airframe, Aviation Maintenance-Powerplant, Avionics/Electronics, Baking and Pastry Arts, Computer Information Systems, Construction Technology, Cosmetology, Crime Scene Investigation, Culinary Arts, Dental Assisting, Diesel Technology, Drafting and Design Technology, Early Childhood Development, Electronics Technology, Entrepreneurship, Environmental/Safety Technology, Industrial Equipment Technology, Law Enforcement Administration, Legal Secretarial, Machine Tool Technology, Medical Transcription, Office Technology, Practical Nursing, Respiratory Therapy Technician, Small Engine Repair, Welding, and Wine and Spirits Studies.

The credit offerings of the College are administered through seven divisions, which report to the Vice President for Learning.

Courses. The types of courses offered by the College include the following:

TECHNICAL, TRADE, AND INDUSTRIAL: Technical/skills course in drafting, air conditioning & refrigeration, basic electronics, advanced electronics, basic and advanced electricity, auto body collision repair and painting, automotive diagnostics and maintenance, diesel engine diagnostics and maintenance, welding, machining, CNC, blue-print reading, CAD, CAM, industrial power transmissions, aviation maintenance, avionics/communications repair and installation, small engine repair, and environmental sciences.

BUSINESS and INFORMATION TECHNOLOGY: Technical/skills courses in computer software, use of business machines, business communications, office management, small business management, accounting, entrepreneurship, software and computer installations, networking, Internet use, programming, computer systems design, and legal assistance.

ALLIED HEALTH AND SERVICES OCCUPATIONS: Technical/skills courses in practical nursing, dental assisting, respiratory therapy technician, medical transcription, culinary arts, hospitality, and early childhood development, and shared programming such as occupational therapy, anesthesia technology and radiography.

MATHEMATICS, NATURAL AND SOCIAL SCIENCES: Courses in mathematics, social sciences, biological sciences, and physical sciences.

FINE ARTS AND HUMANITIES: Courses in English (writing and literature), communications, arts, and humanities.

EDUCATION AND ACDEMIC SUCCESS: Courses in education, developmental studies and college success.

College Employees. The College currently has 445 full-time employees and 421 part-time employees, as follows:

Category	Full-Time	Part-Time
President and staff	4	0
Instructors	181	313
Other non-teaching personnel	260	108

Accreditation Status. The College is accredited by and a member of the Higher Learning Commission of the North Central Association of Colleges and Schools. The last comprehensive evaluation of the College from the NCACS was March 2002, with the next visit due 2015-2016. The College is approved for veterans training by the Arkansas State Approving Agency; Practical Nursing training is approved by the Arkansas State Board of Nursing; Automotive Technology Program is certified by the National Automobile Technician Education Foundation (NATEF); Aviation Maintenance Technology is certified by the Federal Aviation Administration (FAA); Dental Assisting is accredited by the Commission on Dental Accreditation of the American Dental Association; and Respiratory Therapy program is accredited through the Commission on Accreditation of Allied Health Education Program (CAAHEP) of the American Medical Association.

College Facilities. The major facilities owned and/or operated by the College are as follows:

Facility	Year Built	Square Feet
Administration/Main Building (including Classrooms, labs and student services)	1976/1980	49,600
Industrial Technology Building	1984	20,000
Aerospace Technology Center	1985/1990/2009	36,600
Business Building	1985	10,000
Automotive Technology Center/ Weatherization Training Center	1987/1989/2010	16,000
Science Building/Ottenheimer Library	1996/2006	38,456
Information Technology Center	1999	41,379
Business and Industry Center	2000/2002	30,675
Allied Health Education Center	2002	36,500

Campus Center	2006	91,919
Saline County Career Center Buildings	1970's	51,612
Little Rock-West (Kanis Road)	1980/1990	34,632
Little Learners Academy Building	1995	6,000
Little Rock-South (Interstate 30) (Transportation Technology Center)	2005/2008	159,900
Business Technology Center	2011	20,405
Culinary Arts and Hospitality Management	2013	56,701

Technical College Financing. Expenditures for technical colleges are divided into two broad categories: general operation expenses and capital outlay expenses. Funds for the general operation of an adequate comprehensive educational program are provided through State appropriations, tuition and fees paid by students, and other available income of the College. Technical colleges are generally responsible for their own capital outlay expenses.

Prior to the beginning of each biennium, each technical college board submits a proposed budget to the Arkansas Higher Education Coordinating Board. The State Coordinating Board reviews the budgets and makes recommendations to the General Assembly (State Legislature) for appropriations.

DEBT STRUCTURE

Prior Debt

The Board has outstanding its Series 2011 Bonds that are secured by a prior pledge of the Pledged Revenues. Final maturity of the Series 2011 Bonds is 2041. The Bonds are on a parity of security with the outstanding Series 2011 Bonds.

Debt Service Requirements

Set forth below are the debt service requirements for the Bonds and the debt service requirements for the Series 2011 Bonds (the "Prior Debt Service") for each fiscal year through 2041:

Fiscal Year	Series 2015 Bonds	Prior Debt Service	Total Debt Service
2016	1,686,683.33	4,130,640.00	5,817,323.33
2017	1,689,900.00	4,125,090.00	5,814,990.00
2018	1,685,000.00	4,123,640.00	5,808,640.00
2019	1,689,800.00	4,131,140.00	5,820,940.00
2020	1,685,325.00	4,125,140.00	5,810,465.00
2021	1,686,400.00	4,126,670.00	5,813,070.00
2022	1,686,725.00	4,128,932.50	5,815,657.50
2023	1,686,300.00	4,126,570.00	5,812,870.00
2024	1,690,050.00	4,129,382.50	5,819,432.50
2025	1,687,975.00	4,130,982.50	5,818,957.50
2026	2,005,275.00	4,129,982.50	6,135,257.50
2027	2,003,425.00	4,134,667.50	6,138,092.50
2028	2,005,925.00	4,129,487.50	6,135,412.50
2029	2,000,050.00	4,134,507.50	6,134,557.50
2030	2,005,550.00	4,133,927.50	6,139,477.50
2031	2,007,050.00	4,127,577.50	6,134,627.50

2032	2,003,200.00	4,135,287.50	6,138,487.50
2033	1,994,800.00	4,139,837.50	6,134,637.50
2034	1,998,700.00	4,139,162.50	6,137,862.50
2035	1,999,600.00	4,138,262.50	6,137,862.50
2036	934,200.00	5,201,900.00	6,136,100.00
2037	933,300.00	5,199,250.00	6,132,550.00
2038	-	6,138,500.00	6,138,500.00
2039	-	6,141,000.00	6,141,000.00
2040	-	6,140,750.00	6,140,750.00
2041	-	6,137,250.00	6,137,250.00
TOTALS	**$38,765,233.33**	**$117,579,537.50**	**$156,344,770.83**

Debt Service Coverage

The following table shows (i) the Pledged Revenues collected by the College in the 12 months ended June 30, 2014 (based on audited financial statements), (ii) the amount of maximum annual debt service to be due on the Series 2011 Bonds and the Bonds, and (iii) the extent to which debt service is covered by such funds:

Tuition and Fees (Net of Scholarship Allowances) (A)	$10,592,455 (unaudited)
Maximum Annual Debt Service Requirements (B)	$6,141,000
Debt Service Coverage (A/B)	1.72x

SUMMARY OF THE INDENTURE

The following is a summary of certain provision of the Indenture. This summary does not purport to be comprehensive or definitive and is subject, in all respects, to the specific terms and provisions of the Indenture, to which reference is hereby made and a copy of which is available from the Board, the Trustee or the Underwriter.

Establishment of Funds

The Indenture establishes the following Funds to be held by the Trustee:

(1) the Bond Fund (the "Bond Fund");
(2) the Refunding Fund (the "Refunding Fund"), and therein the Cost of Issuance Account (the "Cost of Issuance Account");
(3) the Debt Service Reserve Fund; and
(4) the Rebate Fund (the "Rebate Fund").

Pledged Revenues; Revenue Account

"Pledged Revenues" means the gross revenues derived from the student tuition and fees payable by the students of the College.

The Board covenants that Pledged Revenues will be maintained (increased if necessary) at a level sufficient to produce annual Pledged Revenues equal to not less than 150% of the combined maximum annual debt service on all bonds secured by the Pledged Revenues.

The Indenture requires that the Pledged Revenues, as and when received, be deposited into an account to be maintained by the College, separate from the Funds established by the Indenture, which is designated the "Pledged Revenue Account" (the "Pledged Revenue Account"). In the Indenture, the Board has covenanted that the moneys in the Pledged Revenue Account shall be used: first, to make required deposits to the Bond Fund and Rebate Fund for the Bonds and the Series 2011 Bonds so long as they remain Outstanding pursuant to the Indenture; and second, for any other lawful purpose.

Application of Bond Proceeds

Upon issuance and delivery of the Bonds, the proceeds thereof (net of the Underwriter's discount), together with other moneys made available by the College, will be applied as follows:

(1) The sum of $427,895.23, which is the estimated amount necessary to pay the costs of issuing the Bonds (excluding the Underwriter's discount), will be deposited to the credit of the Cost of Issuance Account within the Refunding Fund;

(2) The sum of $27,032,829.59 will be used to refund the Series 2004 Bonds and the Series 2006 Bonds; and

(3) The balance remaining will be deposited into the Refunding Fund.

Bond Fund

The Pledged Revenues will be deposited as received into the Pledged Revenue Account maintained by the College separate and apart from the Funds established by the Indenture. On or before fifteen (15) days prior to an Interest Payment Date, the College will transfer moneys from the Pledged Revenue Account to the Bond Fund in an amount sufficient to pay, after taking into account moneys on deposit in the Bond Fund, the interest, principal (if any), and Trustee fees that will be due on or before the next Interest Payment Date. The Bond Fund will be held by, or under the direction of, the Trustee. Moneys in the Bond-Fund will be used solely for the payment of principal of, interest on and fees of the Trustee in connection with the Bonds, except as otherwise specifically provided in the Indenture. The Trustee will withdraw from the Bond Fund, on or before the maturity date or early redemption date of any Bond, on or before each Interest Payment Date, and on or before the due date of any fees of the Trustee, moneys in an amount equal to the amount of such principal, interest, or fees, for the sole purpose of paying the same, and shall apply such moneys for such purpose.

The moneys in the Bond Fund shall be used solely to pay the principal of, premium, if any, and interest on the Bonds as the same become due at maturity or redemption prior to maturity, to pay the fees and expenses of the Trustee, and to make any required deposits to the Rebate Fund.

Debt Service Reserve Fund

The Trust Indenture provides for the establishment of a Debt Service Reserve Fund which will hold the Debt Service Fund Insurance Policy.

Rebate Fund

The Board shall, pursuant to the Indenture, at the end of each five-Bond Year period and upon payment or redemption of all principal of the Bonds, calculate the amount of money to be rebated to the United States Treasury (the "Rebatable Arbitrage") pursuant to § 148(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations established thereunder. The Board shall direct the Trustee to deposit an amount equal to the Rebatable Arbitrage into the Rebate Fund within 30 days after the end of each five-Bond Year period and upon payment or redemption of all principal of the Bonds. Such deposit may be made from any lawful source. Within 60 days after each five-Bond Year period, and upon retirement of all Bonds, the Trustee shall pay from the amounts held in the Rebate Fund to the United States Treasury the Rebatable Arbitrage then due.

Refunding Fund

All payments necessary to refund the Series 2004 Bonds and the Series 2006 Bonds shall be made out of the Refunding Fund. The College shall be reimbursed out of the Refunding Fund for all expenditures made by it in connection with the refunding prior to the issuance of the Bonds. Costs of issuance of the Bonds shall be paid from the Costs of Issuance Account within the Refunding Fund.

Additional Bonds

No Additional Bonds may be issued with a prior pledge of the Pledged Revenues. Additional Bonds may be issued ranking on a parity of security with or on a subordinate pledge of security to, the Bonds as set forth in the following paragraph.

Additional Bonds may be issued by the Board from time to time in accordance with law, as follows: (a) Additional Bonds may be issued by resolution of the Board on a parity of security with the Bonds and any additional parity bonds then Outstanding and also secured by the Pledged Revenues, so long as the Pledged Revenues are at least equal to one hundred fifty percent (150%) of the debt service on the Additional Bonds proposed to be issued and the debt service on the then Outstanding Series 2011 Bonds, the Bonds and any additional parity bonds, on an annualized basis, as of the then current calendar year; provided, however, that appropriate adjustments may be made to account for any bonds that are being refunded with the proceeds of the Additional Bonds proposed to be issued; (b) Otherwise, any Additional Bonds shall be subordinate to these Bonds and the pledge of the Pledged Revenues to these Bonds.

Investments

Moneys held for the credit of the Rebate Fund shall, pursuant to the direction of the Chief Fiscal Officer, be invested and reinvested by the Trustee in Permitted Investments which shall mature, or shall be subject to redemption by the owner thereof, at the option of the owner, not later than the date or dates on which payments of the Rebate Amount must be made to the United States Treasury.

Moneys held for the credit of the Bond Fund and Debt Service Reserve Fund shall, pursuant to the direction of an Authorized Representative of the College, be invested and reinvested by the Trustee in Permitted Investments, which shall mature, or shall be subject to redemption by the owner thereof, at the option of the owner, not later than the next succeeding Interest Payment Date.

Except as otherwise provided in the Indenture, obligations so purchased as an investment of moneys in any such fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund, and any loss resulting from such investment shall be charged to such fund.

All investments shall be directed by an Authorized Representative of the College in accordance with the permitted yields described for each fund in the Arbitrage Certificate.

(a) The following obligations to be used as Permitted Investments for all purposes, including defeasance investments in refunding escrow accounts:

(1) Cash deposits (insured at all times by the Federal Deposit Insurance Corporation), or

(2) Obligations of, or obligations guaranteed as to principal and interest by, the U.S. or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S. including:

a. U.S. treasury obligations;
b. All direct or fully guaranteed obligations;
c. Farmers Home Administration;
d. General Services Administration;
e. Guaranteed Title XI financing;
f. Government National Mortgage Association (GNMA); and
g. State and Local Government Series.

Any security used for defeasance must provide for the timely payment of principal and interest and cannot be callable or prepayable prior to maturity or earlier redemption of the rated debt (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date).

(b) The following obligations to be used as Permitted Investment for all purposes other than defeasance investments in refunding escrow accounts:

(1) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:

a. U.S. Export-Import Bank (Eximbank);
b. Rural Economic Community Development Administration;
c. U.S. Maritime Administration;
d. Small Business Administration;
e. U.S. Department of Housing & Urban Development (PHAs);
f. Federal Housing Administration; and
g. Federal Financing Bank.

(2) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

a. Senior debt obligations issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC);
b. Obligations of the Resolution Funding Corporation (REFCORP);
c. Senior debt obligations of the Federal Home Loan Bank System.; and
d. Senior obligations of other Government Sponsored Agencies approved by the Bond Insurer.

(3) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and maturing not more than 360 calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(4) commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and which mature not more than 270 calendar days after the date of purchase;

(5) investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;

(6) pre-refunded municipal obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

a. which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Moody's or S&P or any successors thereto; or

b. (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations described in "(a)", which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate.

(7) municipal obligations rated "Aaa/AAA" or general obligations of states with a rating of "A2/A" or higher by both Moody's and S&P;

(c) The value of the above investments, other than cash, shall be determined as follows:

(1) for the purpose of determining the amount in any fund, all Permitted Investments credit to such fund shall be valued at fair market value. The trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers.

(2) as to certificates of deposit and bankers acceptances, the face amount thereof, plus accrued interest; and

(3) as to any investment not specified above: the value thereof established by prior agreement between the Board and the Trustee.

Events of Default

The Indenture defines "events of default" to include, among other events:

(a) Default in the payment of the principal and premium, if any, or redemption price of any Bond;

(b) Default in the payment of interest;

(c) The Board is rendered incapable of fulfilling its obligations under the Indenture;

(d) Default under the Arbitrage Certificate, and such default is not cured within thirty days of its discovery;

(e) Any proceeding is instituted with consent or acquiescence of the Board to effect a composition with creditors and adjust the claims of creditors payable out of Pledged Revenues; or

(f) Default in the performance of any other covenant, condition, agreement or provision contained in the Bonds or in the Indenture and the continuance of such default for thirty (30) days after written notice specifying the default and requiring the same to be remedied shall have been given to the Board by the Trustee, which may give the notice in its discretion and shall give such notice upon the written request of the owners of not less than 20% in principal amount of the Bonds then outstanding; provided, however, that if the default is such that it cannot be corrected within the applicable period, and, within the applicable period the Board has given notice to the Trustee of corrective action it proposes to take, which corrective action is approved by the Trustee, it shall not constitute an event of default if such corrective action is instituted within the applicable period and diligently pursued until the default is corrected.

Upon the occurrence of any Event of Default, the Trustee may, and upon written request of the holders of not less than 20% in principal amount of Bonds then outstanding shall, declare the principal of all the Bonds then Outstanding to be due and immediately payable. The Trustee may, and upon the written request of the holders of not less than 20% of the Bonds then outstanding shall, proceed to protect and enforce its rights and the rights of the holders of the Bonds under the applicable laws of the State of Arkansas and under the Indenture securing the Bonds by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant or agreement contained in the Indenture securing the Bonds or in aid or execution of any power granted in the Indenture securing the Bonds or for the enforcement of any other proper legal or equitable remedy, including mandamus, as the Trustee shall determine most effectual to enforce and protect such rights.

LEGAL MATTERS

Legal Opinion. Issuance of the Bonds is subject to the unqualified approving opinion of Williams & Anderson PLC, bond counsel, to the effect that the Bonds have been lawfully issued under the Constitution and laws of the State of Arkansas and constitute valid, binding and enforceable obligations of the Board.

Non-Litigation Certificate. Upon delivery of the Bonds, the Board will furnish a certificate to the effect that no litigation not described in the Official Statement is then pending which would affect the validity of or security for the Bonds.

ENFORCEABILITY OF REMEDIES

Rights of the registered owners of the Bonds and the enforceability of the remedies available under the Indenture may depend on judicial action and may be subject to the valid exercise of the constitutional powers of the United States of America and of the sovereign police powers of the State of Arkansas or other governmental units having jurisdiction, and to the application of federal bankruptcy laws or other debtor relief or moratorium laws in general. Therefore, enforcement of those remedies may be delayed or limited, or the remedies may be modified or unavailable, subject to the exercise of judicial discretion in accordance with general principles of equity. Bond Counsel expresses no opinion as to any effect upon any right, title, interest or relationship created by or arising under the Indenture resulting from the application of state or federal bankruptcy, insolvency, reorganization, moratorium or similar debtor relief laws affecting creditors' rights which are presently or may from time to time be in effect.

FINANCIAL INFORMATION

Technical College Financing. Expenditures for technical colleges are divided into two broad categories, general operation expenses and capital outlay expenses. Funds for the general operation of an adequate comprehensive educational program are provided through State appropriations, tuition and fees paid by students, and other available income of the College. Technical colleges are generally responsible for their own capital outlay expenses.

Prior to the beginning of each biennium, each technical college board submits a proposed budget to the Arkansas Higher Education Coordinating Board. The State Coordinating Board reviews the budgets and makes recommendations to the General Assembly (State Legislature) for appropriations.

Other Financial Information. The College receives substantially all of its operating funds from State appropriations and from tuition and fees charged to students of the College. The finances of the College are audited by the Division of Legislative Audit of the Legislative Joint Auditing Committee of the Arkansas General Assembly. The financials for the fiscal year ending June 30, 2014, are attached hereto as Appendix B. They are unaudited.

TAX EXEMPTION

In the opinion of Williams & Anderson PLC, Bond Counsel, under existing law the interest on the Bonds is exempt from all Arkansas state, county and municipal taxes.

Also, in the opinion of Bond Counsel, interest on the Bonds under existing law (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that for the purpose of computing the alternative minimum tax imposed on certain corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinion set forth in clause (a) above is subject to the condition that the Board comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Board has covenanted to comply with all such requirements in the Indenture.

Prospective purchasers of the Bonds should be aware that (i) with respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by fifteen percent of the sum of certain items, including interest on the Series 2015 Bonds, (ii) interest on the Bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the Code, (iii) interest on the Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code, (iv) passive investment income including interest on the Bonds, may be subject to federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of such Subchapter S corporation is passive investment income and (v) Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account in determining gross income, receipts or accruals of interest on the Bonds.

Original Issue Discount and Premium

The Bonds maturing in the years 2025 and 2036 were sold with original issue discount. When the initial public offering price for any Bond is less than the principal payable at maturity for such Bonds (the "OID Bonds"), such difference constitutes original issue discount which is treated as interest and is excluded from gross income for federal income tax purposes subject to the caveats and provisions described above.

In the case of an owner of an OlD Bond, the amount of original issue discount which is treated as having accrued with respect to such OID Bond is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of such OlD Bond (including its sale, redemption or payment at maturity). Amounts received upon disposition of such OID Bonds which are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual OID Bond bearing original issue discount, on days which are determined by reference to the maturity of such OID Bond. The amount treated as original issue discount on such OlD Bond for a particular semiannual accrual period is equal to (i) the product of (a) the yield to maturity for such OlD Bond (determined by compounding at the close of each accrual period) and (b) the amount which would have been the tax basis of such OID Bond at the beginning of the particular accrual period if held by the original purchaser, (ii) less the amount of any payments on such OlD Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such OlD Bond the sum of the amounts which would have been treated as original issue discount for such purposes during all prior periods. If such OlD Bond is sold between semiannual compounding dates, original issue discount which would have accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of OlD Bonds should consult their own tax advisors with respect to the determination for federal income tax purposes of original issue discount accrued with respect to OlD Bonds as of any date, with respect to the accrual of original issue discount for such OID Bonds purchased in the secondary markets and with respect to the state and local tax consequences of owning OID Bonds.

The initial public offering prices of the Bonds maturing in the years 2015 through 2020 and in 2030 were greater than the amount payable on such Bonds at maturity. When the initial public offering price for any Bond is greater than the principal amount thereof, such difference constitutes original issue premium and the bond is a "Premium Bond." Under the Code, the difference between the principal amount of a Premium Bond and the cost basis of such Premium Bond to an owner thereof is "bond premium." Under the Code, bond premium is amortized over the term of a Premium Bond (i.e., the maturity date of a Premium Bond or its earlier call date) for federal income tax purposes. An owner of a Premium Bond is required to decrease his or her basis in such Premium Bond by the amount of the amortizable bond premium attributable to each taxable year (or portion thereof) he or she owns such Premium Bond. The amount of the amortizable bond premium attributable to each taxable year is determined on an actuarial basis at a constant interest rate determined with respect to the yield on a Premium Bond compounded on each interest payment date. The amortizable bond premium attributable to a taxable year is not deductible for federal income tax purposes.

Owners of the Premium Bonds (including purchasers of Premium Bonds in the secondary market) should consult their own tax advisors with respect to the precise determination for federal income tax purposes of the treatment of bond premium upon sale, redemption or other disposition of Premium Bonds and with respect to the state and local consequences of owning and disposing of Premium Bonds.

CONTINUING DISCLOSURE PAST COMPLIANCE

In the past five years, the Issuer filed late or failed to file continuing disclosure information with regards to its outstanding debt obligations. In addition, the information filed did not contain all of the data (enrollment history and debt service coverage) required by the Issuer's outstanding disclosure requirements. For these instances, the Issuer failed to file a "Notice to Repositories of Failure to File Annual Report".

The following charts reflect the Issuer's compliance and non-compliance with previous undertakings under the Rule.

Annual Financial Information and Operating Data ("Annual Report")

Pursuant to previous Continuing Disclosure undertakings by the Issuer, the Issuer has agreed to provide to the MSRB its Annual Report within 180 days after the end of each fiscal year (the "Submittal Deadline").

Fiscal Year	Submittal Deadline	Date Filed(1)
6/30/2010	12/27/2010	10/14/2014
6/30/2011	12/27/2011	8/25/2011
6/30/2012	12/27/2012	1/3/2013
6/30/2013	12/27/2013	9/25/2014
6/30/2014	12/27/2014	12/16/2014

(1) Actual date Annual Report was filed on MSRB's EMMA portal.

Audited Financial Statements ("AFS")

Pursuant to previous Continuing Disclosure undertakings by the Issuer, the Issuer has agreed to provide to the MSRB its Audited Financial Statements within the required submittal deadline of 180 days or sixty (60) days after the audit has been completed and received by the Issuer.

Fiscal Year	Date of Audit	Date Filed(1)
6/30/2009	6/8/2010	11/18/2010
6/30/2010	6/14/2011	10/14/2014
6/30/2011	5/15/2012	1/13/2013
6/30/2012	8/29/2013	11/7/2013
6/30/2013	7/16/2014	9/25/2014

(1) Actual date Audited Financial Statement was filed on MSRB's EMMA portal.

With regards to the Reporting of Significant Events, the Issuer failed to file rating changes related to the bond insurers or credit enhancers on the Issuer's 2003 and 2004 outstanding bonds.

UNDERWRITING

Under a Bond Purchase Agreement (the "Agreement") entered into by and between the Board and Stephens Inc., as Underwriter, the Bonds are being purchased for $26,374,150.10 (which represents the par amount of the Bonds, less an Underwriter's discount of $200,531.25, plus a reoffering premium of $699,681.35). The Agreement provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligations of the Underwriter to accept delivery of the Bonds is subject to various conditions contained in the Agreement, including the absence of pending or threatened litigation questioning the validity of the Bonds or any proceedings in connection with the issuance thereof, and the absence of material adverse changes in the financial or business condition of the Board. The Underwriter intends to offer the Bonds to the public initially at the offering prices set forth on the cover page of this Official Statement, which prices may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell the Bonds to certain dealers at prices lower than the public offering price.

RATING

The Bonds are not rated. Neither the Board nor the Underwriter undertakes any responsibility to obtain a credit rating for the Bonds. However, simultaneously with the issuance of the Bonds, Standard & Poor's Rating Services, a Standard & Poor's Financial Services LLC business ("S&P") is expected to issue its insured rating of "AA" (stable outlook) based upon the municipal bond insurance policy of Build America Mutual Assurance Company. An explanation of the significance of such rating may be obtained from S&P. The rating reflects only the view of S&P. An explanation of the significance of the rating may be obtained from S&P. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by S&P, if in the judgment of S&P, circumstances so warrant. Additionally, due to the ongoing uncertainty regarding the debt of the United States of America, including without limitation, the general economic conditions in the country, and other political and economic developments that may affect the financial condition of the United States government, the United States debt limit, and the bond ratings of the United States and its instrumentalities, obligations issued by state and local governments, such as the Bonds, could be subject to a rating downgrade. Furthermore, if a significant default or other financial crisis should occur in the affairs of the United States or of any of its agencies or political subdivisions, then such event could also adversely affect eth market for and ratings, liquidity, and market value of outstanding debt obligations, such as the Bonds. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

MISCELLANEOUS

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representation of fact, and no representation is made that any of the estimates will be realized. This Official Statement is not to be construed as a contract or agreement between the Board and the purchasers or owners of any of the Bonds. The Board has authorized the preparation and distribution of this Official Statement.

[Remainder of page left blank intentionally.]

This Official Statement is dated this 17th day of June, 2015.

PULASKI TECHNICAL COLLEGE

By: /s/ Dr. Margaret Ellibee
President

APPENDIX A

FORM OF BOND COUNSEL OPINION

Williams & Anderson PLC, Bond Counsel to the Board, expects to render an opinion with respect to the Bonds, dated the date of delivery, in substantially the following form:

Board of Trustees of Pulaski Technical College
North Little Rock, Arkansas

Bank of the Ozarks
Little Rock, Arkansas

Re: $25,875,000 Board of Trustees of Pulaski Technical College Student Tuition and Fee Refunding Revenue Bonds, Series 2015

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the Board of Trustees (the "Board") of Pulaski Technical College (the "College") of $25,875,000 aggregate principal amount of the Board's Student Tuition and Fee Refunding Revenue Bonds, Series 2015, dated July 1, 2015 (the "Bonds"). We have examined the law, the resolution authorizing the issuance of the Bonds (the "Resolution"), the Trust Indenture securing the bonds (the "Trust Indenture"), and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Board is the governing body of the College with the power to adopt the Resolution, enter into the Trust Indenture, perform the agreements on its part contained therein, and issue the Bonds.

2. The Trust Indenture has been duly authorized, executed and delivered by the Board and constitutes a valid and binding obligation of the Board enforceable against the Board in accordance with its terms.

3. The Bonds are valid general obligations of the Board in accordance with their terms. The Bonds constitute general obligations only of the Board and do not constitute an indebtedness for which the faith and credit of the State of Arkansas or any of its revenues are pledged and are not secured by a mortgage of or lien on any land or building belonging to the State of Arkansas or to the Board. The Bonds are secured by a pledge of certain "Pledged Revenues," as defined in the Trust Indenture. The pledge in favor of the Bonds is on a parity of security with the Board's outstanding $69,485,000 Student Tuition and Fee Revenue Capital Improvement and Refunding Bonds, Series 2011, and may be on a parity of security with pledges securing bonds that may be issued hereafter, as set forth in the Trust Indenture.

4. The interest on the Bonds (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that, for the purpose of computing the alternative minimum tax imposed on certain corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinion set forth in clause (a) above is subject to the condition that the Board comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. The Board has covenanted in the Trust Indenture to comply with all such requirements. Failure to comply with certain of such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. The interest on the Bonds is exempt from Arkansas income tax.

It is to be understood that the rights of the registered owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be subject to the exercise of judicial discretion in appropriate cases.

Sincerely yours,

WILLIAMS & ANDERSON PLC

APPENDIX B

2014
UNAUDITED FINANCIAL STATEMENT

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2014

PULASKI
Technical College

3000 WEST SCENIC DRIVE
NORTH LITTLE ROCK, AR 72118
WWW.PULASKITECH.EDU

PULASKI TECHNICAL COLLEGE
UNAUDITED FINANCIAL STATEMENTS
JUNE 30, 2014

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Management's discussion and analysis (MD&) of Pulaski Technical College's (the "College") financial statements provides an overview of the College's financial position and activities as of June 30, 2014 and 2013. The College's management has prepared and is responsible for the financial statements and the related footnote disclosures, along with the discussion and analysis.

The statements have been prepared using the format specified in Governmental Accounting Standards Board (GASB) Statements Number 34 and 35. The financial statements were prepared on the accrual basis and include depreciation of capital assets. The financial statements required include the Statement of Net Position (SNP), the Statement of Revenues, Expenses and Changes in Net Position (SRECNP) and a Statement of Cash Flows (SCF) using the direct method.

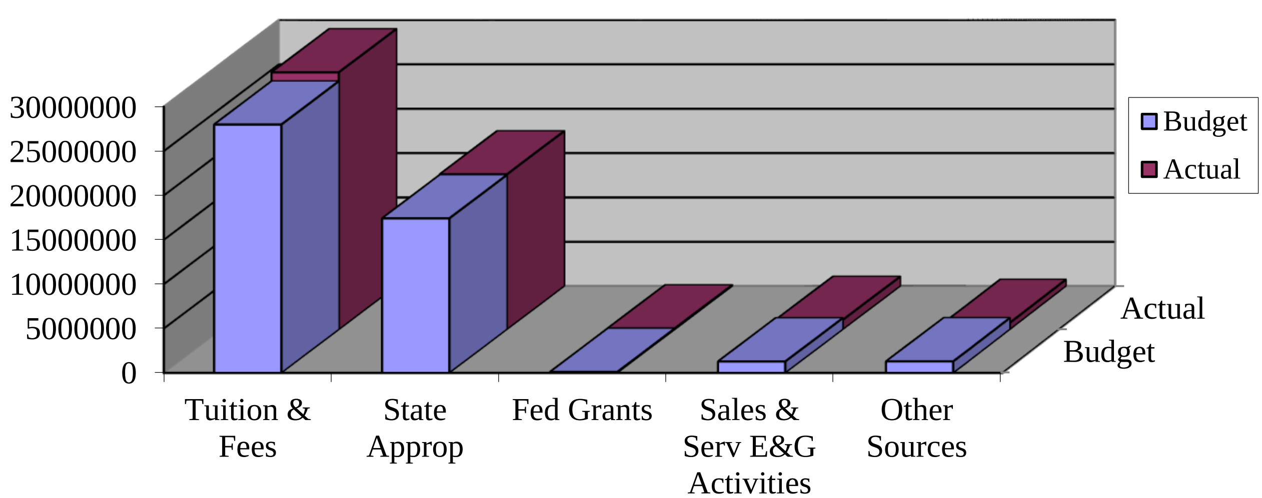
The following discussion and analysis provides a brief overview of some of the activities of the College. The SNP and SRECNP for fiscal year 2013 are included for comparison purposes for the management discussion and analysis (MDA).

General Financial and Enrollment Information

For fiscal year ending 2014, the college received a total of $17,481,209 in state appropriations which was $743,525 more than the total sources from state general revenues and Workforce 2000 Funds than the College received in fiscal year ending 2013. This includes General Improvement Funds (GIF) for programs in the amount of $70,000. General Revenue increased by $680,349 and WF2000 decreased by $6,824.

The following budget to actual revenue graph presents a comparison in the budgeted amounts versus the actual receipt of state appropriations and other revenues for fiscal year ending 2014.

Comparison of Unrestricted Budget to Actual Revenue FY14



The Board of Trustees increased the rate of tuition by 5.5 percent that was effective the fall semester, 2013. Tuition increased $5 per credit hour, from $90 to $95. In addition, the board approved the following changes:

A new Technology Fee of $7 per credit hour. The fee generated about $1.5 million to help maintain and expand student computer labs and facilities, academic technologies, web-based services and campus wide technology projects.

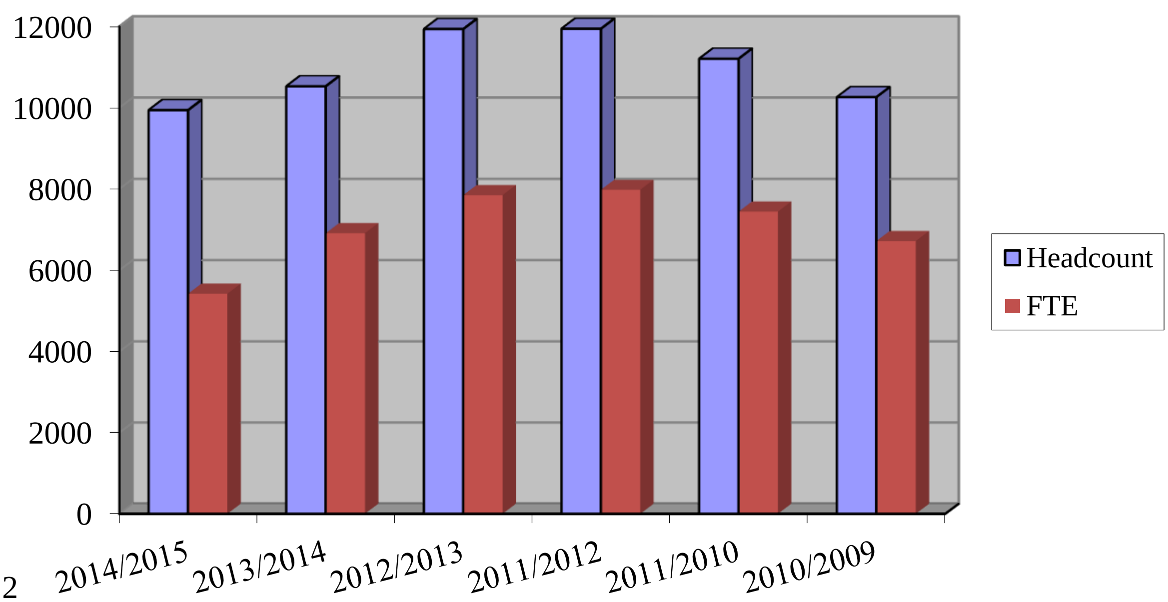
A new Library Fee of $10 per semester to cover the cost of maintaining hardware and software, student printing consumables (toner and paper), subscription costs for journals, databases, and other enrichment resources.

The Special Course Fee increased from $15 to $30 per course.

The fee to take the COMPASS test increased from $10 to $20, and the cost to retake the test increased from $5 to $10. However, as an incentive to get students to prepare before taking the assessment, the college waived the test fee for first-time students who complete a COMPASS preparation program either online or at one of the college's sites.

The following graph depicts the College's enrollment history. Enrollment increased, averaging at least 6 percent each year from fall 2009 through the fall 2012. Fall 2011 had a 6.6 percent increase in headcount enrollment over fall 2010 which was the largest annual increase. As result in a decline in enrollment and the budget shortfall in FY14, the budgets were adjusted and a decision to freeze faculty/staff positions was instituted. There was also a significant decline in Pell recipients and expenditures. The enrollment for fall 2014 decreased by 12 percent over the fall 2013. The following chart depicts fall semester enrollment history. Fall 2014 headcount enrollment and FTE is 9,942 and 5,422, respectively.

Fall Enrollment History



Statement of Net Position

The Statement of Net Position is the College's balance sheet. It reflects the total assets, liabilities, net position, and deferred outflows and inflows of resources of the College as of June 30, 2014, with comparative information as of June 30, 2013. Liabilities due within one year, and assets available to pay those liabilities, are classified as current. Other assets and liabilities are classified as noncurrent. Net position (i.e. the difference between total assets and total liabilities and deferred inflows of resources) are an important indicator of the College's current financial condition, while the change in net position is an indicator of whether the overall financial position has improved or worsened during the year. A major exception is capital assets, which are stated at historical cost less accumulated depreciation. A summarized comparison of the College's assets, liabilities, deferred inflows of resources, and net position as of June 30, 2014 and 2013 follows:

Condensed Statements of Net Position

	2014	2013	Change
Assets and Deferred Outflows of Resources			
Current Assets	$ 27,028,488	$ 29,014,890	$ (1,986,402)
Capital Assets, net of depreciation	$ 82,682,818	$ 77,528,525	$ 5,154,293
Other noncurrent assets	$ 33,840,682	$ 37,881,299	$ (4,040,617)
Deferred Outflows of Resources	$ 889,240	$ 1,111,550	$ (222,310)
Total Assets	$ 144,441,228	$ 145,536,264	$ (872,726)
Liabilities and Deferred Inflows of Resources			
Current Liabilities	$ 4,673,352	$ 5,933,056	$ (1,259,704)
Noncurrent Liabilities	93,190,594	94,990,986	(1,800,392)
Deferred inflows of Resources	32,140	60,018	(27,878)
Total Liabilities	$ 97,896,086	$ 100,984,060	$ (3,087,974)
Net Position			
Net Investment in Capital Assets	$ 16,080,467	$ 16,153,196	(72,729)
Restricted:			
Expendable	10,732,472	7,329,308	3,403,164
Unrestricted	19,732,203	21,069,699	(1,337,496)
Total Net Position	$ 46,545,142	$ 44,552,203	$ 1,992,939

Net position is divided into three major categories. The first category is Net Investment in Capital Assets. It provides the College's equity in property, plant and equipment owned by the institution. The next asset category is Restricted, which is divided into two categories, nonexpendable and expendable. Nonexpendable are those that are required to be retained in perpetuity. Expendable restricted are available for expenditure by the institution but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final category is Unrestricted. Unrestricted are generally available to the institution for any lawful purpose of the institution.

Total net position increased $1,992,939 during the year ended June 30, 2014. This increase was due to a reduction in overall operating expenses and the increase in state and capital appropriations.

Current assets decreased by 7.3 percent as a result of enrollment shortfalls for the year, a reduction in accounts receivable and deposits and funds held in trust by others.

Capital assets- net of depreciation was increased by $5,154,293. This net increase included the purchase of capital assets in the amount of $8,283,128 (which includes construction in progress in the amount of $7,978,366), net depreciation of $3,135,838, a disposal of assets in the amount of $415,039 and a reduction in the amount of construction funds deposited with the trustee in the amount of $943,465.

Other noncurrent assets decreased by $4,040,617. This is mainly due to a decrease of funds held in trust for the reimbursements for the completion of the Culinary Arts & Hospitality Management Institute and the construction of The Center for Humanities and Arts project.

Deferred outflows of resources totaled $889,240. This represents the loss on refunding of bonds retired before the date of maturity.

Current liabilities include the current portion of compensated absences in the amount of $130,474, the current portion of bonds payable in the amount of $1,930,000 plus premium and accrued interest on bonds payable in the amount of $1,060,231.

Noncurrent liabilities consist of the long-term portion of compensated absences of $914,175, accrued other post-employment benefits payable of $978,189 and long-term portion of bonds payable of $91,055,000 plus premium.

Deferred inflows of resources totaled $32,140. This represents Summer II 2014 and Fall 2014 revenue received prior to June 30, 2014.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position is the College’s income statement. It details how net position has changed during the year ended June 30, 2014, with comparative information for the year ended June 30, 2013. This statement is prepared on the accrual basis of accounting whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. Items that increase or decrease net position, appear on the Statement of Revenues, Expenses and Changes in Net Position as revenues, expenses, gains or losses.

Financial activities are reported as either operating or non-operating. GASB Statement No. 35 requires state appropriations, gifts, and investment income to be classified as non-operating revenues. Accordingly, the College reports a net operating loss prior to the addition of non-operating revenues. The utilization of long-lived capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life. Tuition revenue is reduced by scholarships and is reported net of the scholarship allowance. A summarized comparison of the College's revenues, expenses and changes in net position for years ended June 30, 2014 and 2013 follows.

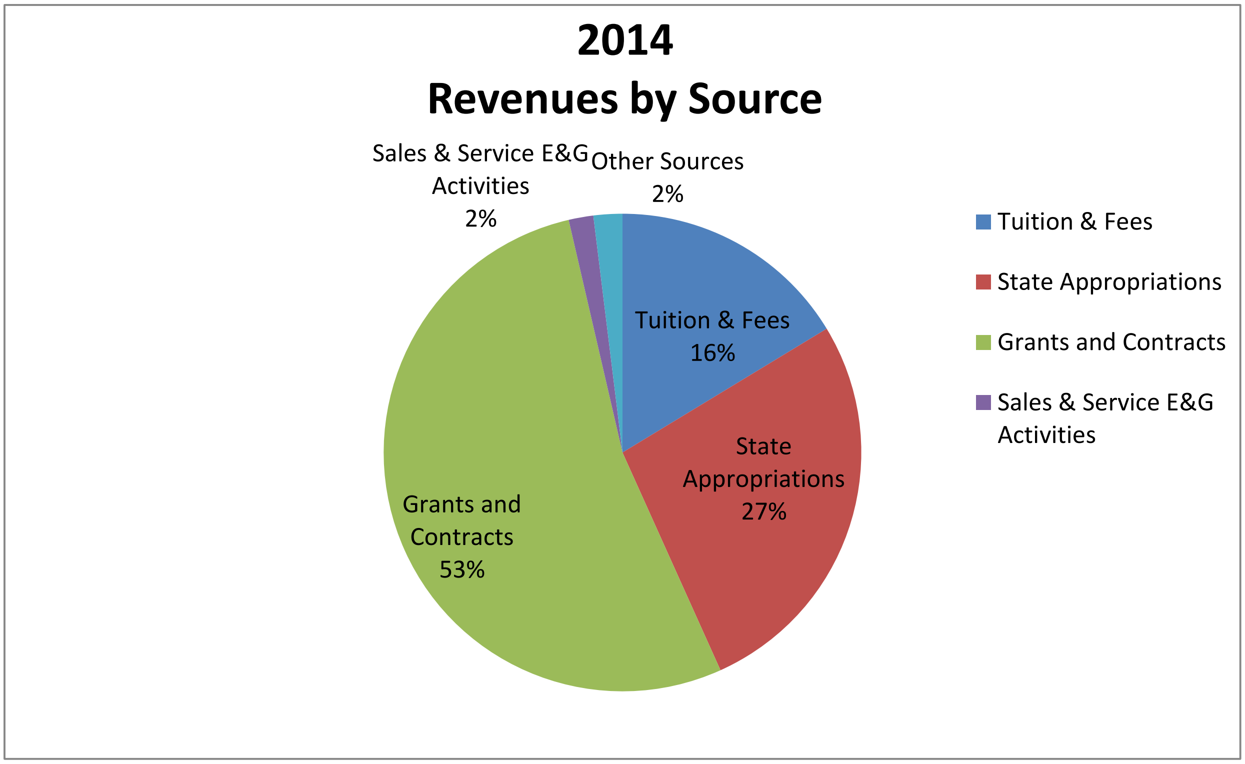
	2014	2013	%Change
Operating Revenue			
Student Tuition & Fees	$ 10,592,455	$ 10,637,697	-0.43%
Grants & Contracts	3,755,207	4,633,049	-18.95%
Sales & Services, Net	1,084,225	1,198,253	-9.52%
Other Operating Revenue	743,455	767,498	-3.13%
Total Operating Revenue	$ 16,175,342	$ 17,236,497	-6.16%
Operating Expenses	$ 61,231,427	$ 64,875,736	-5.62%
Net Operating Income(Loss)	(45,056,085)	(47,639,239)	-5.42%
Non-operating Revenue & Expenses	47,049,024	50,124,577	-6.14%
Change in Net Position	1,992,939	2,485,338	-19.81%
Net Position-beginning of year	44,552,203	42,066,865	5.91%
Net Position-end of year	$ 46,545,142	$ 44,552,203	4.47%

Tuition and fees decreased by.43 percent due to a drop in enrollment. Scholarship discounts and allowances decreased by 2.1 percent to $18.8 million.

Grants and contracts decreased by 18.95 percent by $877,842 as a result of the loss or reduced funding of grants received from the Arkansas Department of Labor, Arkansas Department of Human Services and the Arkansas Department of Career Education.

Non-operating revenues and expenses included state appropriated funds for operating activities, non-exchange federal and state grants and contracts, general improvement funds, and interest paid on capital assets related debt. State appropriations increased by $743,525. This increase was the result of an increase in general revenues of $680,349, one-time GIF for operation of $70,000 and a decrease in WF2000 funds of $6,824. Pell grants decreased from $33,655,387 to $28,649,626 a decrease of 9 percent over fiscal year ending June 30, 2013.

The following chart depicts the percentage by major revenue source for all funds.



Federal, state and local grants make up the largest percent of all revenues and state appropriations are the next largest source. If scholarships discounts and allowances of $18,851,166 are added back in, tuition and fees are greater than state appropriations.

The following table displays operating expenses by functional classifications along with changes in each functional classification from the prior year:

Functional Category	2014	2013	Change	% Change
Instruction	20,679,437	21,361,344	(681,907)	-3.19%
Academic Support	6,198,977	6,240,989	(42,012)	-0.67%
Student Services	5,016,848	5,525,638	(508,790)	-9.21%
Institutional Support	7,697,228	7,112,891	584,337	8.22%
Oper & Maint Phys Plant	4,223,092	3,083,404	1,139,688	36.96%
Scholarships	14,280,006	18,467,779	(4,187,773)	-22.68%
Auxillary	-	-	-	
Depreciation	3,135,839	3,083,691	52,148	1.69%
Totals	61,231,427	64,875,736	(3,644,309)	-5.62%

Instruction saw a decrease of 3.19 percent due to a decline in enrollment and unfilled faculty positions.

Academic Support experienced a slight decrease due to the consolidation of the Information Technology Division with the Business Division and a decline in grant expenditures.

The 9.27 percent decrease in the Student Services area was mainly the result of unfilled positions and decrease in grant expenditures.

The 8.22 percent increase in Institutional support was the result of new positions in the following areas Human Resources, Provost Office, Public Relations & Marketing, Vice President for Finance and Institutional Research.

Scholarships decreased by 22.68 percent due to the decline in enrollment and the number of Pell grant eligible recipients and expenditures.

The following table depicts operating expenses by natural classification:

	2014	2013	Change	%Change
Salaries & Fringe Benefits	$ 33,461,632	$ 33,826,949	$ (365,317)	-1.08%
Supplies, Materials & Oth Svcs	10,353,950	9,497,317	856,633	9.02%
Scholarships & Fellowships	14,280,006	18,467,779	(4,187,773)	-22.68%
Depreciation	3,135,839	3,083,691	52,148	1.69%
Total Operating Expenses	$ 61,231,427	$ 64,875,736	$ (3,644,309)	-5.62%

Salaries and fringe benefits, the largest operating expense, decreased due a steady decline in enrollment, associated revenues and the freeze on filling vacant positions. Scholarships and fellowships represent financial aid less scholarship discounts and allowances of $18,851,166. Scholarships and Fellowships decreased due to the reduction in the number of Pell Grant awards and the number of students receiving those awards. Depreciation increased due to building additions and other acquisitions.

Statement of Cash Flows

The Statement of Cash Flows details how cash has increased or decreased during the fiscal year ended June 30, 2014, with comparative financial information for the fiscal year ended June 30, 2013. The sources and uses of cash are arranged in the following categories:

- Operating activities
- Noncapital financing activities
- Capital and Related financing activities
- Investing activities

Cash flows associated with the College's expendable net position appear in the operating and noncapital financing categories. Capital financing activities include payments for capital assets, proceeds from long-term debt, and debt repayments. Purchases and sales of investments are reflected in investing activities.

The primary purpose of the Statement of Cash Flows is to provide information about the cash receipts and cash payments made by the College during the year that will allow financial statement readers to assess the College's ability to generate future net cash flows and to meet obligations as they become due, and to assess the possible need for external financing.

The following is the cash flow statement for fiscal year ending June 30, 2014:

	2014	2013
Net Cash Provided (Used) By:		
Operating Activities	($41,538,234)	($44,293,853)
Non-capital Financing Activities	48,207,068	53,231,359
Capital & Related Financing Activities	(6,875,629)	(5,531,517)
Investing Activities	(379,952)	880
Net Increase (Decrease) in Cash	($586,747)	$3,406,869
Cash - Beginning of Year	20,702,954	17,296,085
Cash - End of Year	$20,116,207	$20,702,954

The primary cash receipts for operating activities are tuition and fees revenues. Cash outlays include payment of salaries and fringe benefits, and the purchase of supplies and services.

State appropriations are one source of cash for non-capital financing activities. GASB requires that the College reflect this source as non-operating revenues. Also, federal and state grants and contracts (non-exchange) are a source of cash for non-capital financing activities. William D. Ford Federal Direct Loan Program receipts and payments are also a part of non-capital financing activities.

Purchases of capital assets, principal and interest paid on debt, proceeds from the trustee for construction and capital gifts from PTC Foundation made up the major components of capital and related financing activities.

The primary investing activity included the sale and maturity of investments along with interest earned on investments.

Overall, the College experienced a decrease in cash and cash equivalents of $586,747.

Factors that will affect the future of the College

During fiscal year 2014, the Board of Trustees approved the new general fee in the amount increase of $15 per credit hour and several course fees for the Technical and Industrial Division.

Enrollment for the fall 2014 semester has seen a drop of 12.2 percent. The college is evaluating reasons for this reduction. The construction of a 91,000 square foot Center for Humanities and Arts on the main campus started in April, 2014. The estimated completion date is October 2015.

PULASKI TECHNICAL COLLEGE
STATEMENT OF NET POSITION
JUNE 30, 2014 AND JUNE 30, 2013

	Unaudited June 30, 2014	June 30, 2013
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 19,390,600	$ 20,433,967
Investments	5,593,877	5,145,691
Accounts receivable, net of allowances of $417,537 & $345,794	1,243,714	1,684,610
Interest Receivable	11,058	10,228
Inventories	28,666	32,469
Prepaid expenses and other assets_current	57,879	61,766
Deposits and funds held in trust by others	702,694	1,646,159
Total Current Assets	$ 27,028,488	$ 29,014,890
Non-Current Assets		
Cash and cash equivalents	725,607	268,987
Prepaid assets-non-current	1,330,910	1,385,638
Deposits and funds held in trust by others	31,784,165	36,226,674
Capital assets, net of depreciation of $25,559,857 & $26,623,202	82,682,818	77,528,525
Total Non-Current Assets	$ 116,523,500	$ 115,409,824
Total Assets	$ 143,551,988	$ 144,424,714
Deferred Outflows of Resources		
Loss on Refunding	889,240	1,111,550
Total Deferred Outflows of Resources	$ 889,240	$ 1,111,550
Total Assets and Deferred Outflows	$ 144,441,227	$ 145,536,264
LIABILITIES		
Current liabilities:		
Accounts payable and other accrued liabilities	$ 2,513,610	$ 3,767,594
Funds held in trust for others	89,460	148,633
Compensated absences payable - current portion	130,474	127,022
Bonds, notes, capital leases and installment contracts payable - current portion	1,939,807	1,889,807
Total Current Liabilites	$ 4,673,352	$ 5,933,056
Non-current liabilities:		
Bonds payable	914,175	930,251
Compensated absences	978,189	822,698
Accrued Other Post-Employment Benefits Payable	91,298,230	93,238,037
Total Non-Current Liabilities	$ 93,190,594	$ 94,990,986
Deferred Inflows of Resources		
Advance Revenue	32,140	60,018
Total Deferred Inflows of Resources	$ 32,140	$ 60,018
Total Liabilities and Deferred Inflows	$ 97,896,085	$ 100,984,061
NET POSITION		
Net Investment in Capital Assets	$ 16,080,466	$ 16,153,196
Restricted for:		
Expendable:	10,732,472	7,329,308
Unrestricted	19,732,203	21,069,699
Total Net Position	$ 46,545,142	$ 44,552,203

PULASKI TECHNICAL COLLEGE FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2014

ASSETS		
CURRENT ASSETS		
Cash and Current Cash Equivalents		$ 138,380
Total Current Assets		138,380
RESTRICTED ASSETS		
Cash and Cash Equivalents		217,876
Certificates of Deposit		196,511
Investments		516,314
Pledges Receivable		502,001
Total Restricted Assets		1,432,702
Total Assets		$ 1,571,082
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable		4,643
NET ASSETS		
Unrestricted		
Designated	$ 134,841	
Unrestricted	(1,104)	$ 133,737
Temporarily Restricted		698,274
Permanently Restricted		734,428

Pulaski Technical College
Comparative Statement of Revenues, Expenses and Changes in Net Position
For Years Ended June 30, 2014 and June 30, 2013

		2014		2013
REVENUES				
Operating revenues:				
Student tuition & fees, net of scholarship allowances of $18,851,166 & $19,274,585	$	10,592,455	$	10,637,697
Federal grants and contracts		2,673,538		3,333,742
State and local grants and contracts		1,081,669		1,299,307
Sales and services of educational departments		1,084,225		1,198,253
Other operating revenues		743,455		767,498
Total operating revenues	$	16,175,342	$	17,236,497
EXPENSES				
Operating expenses:				
Salaries & Fringe Benefits	$	33,461,632	$	33,826,949
Scholarships and fellowships		14,280,006		18,467,779
Supplies and services		10,272,028		9,244,313
Contractual Services		81,922		253,004
Depreciation		3,135,839		3,067,201
Total operating expenses		61,231,427		64,859,246
Operating income (loss)	$	(45,056,085)	$	(47,622,749)
NONOPERATING REVENUES (EXPENSES)				
State appropriations	$	17,481,209	$	16,737,684
Federal grants		28,802,376		33,740,387
State grants		1,900,069		2,355,839
Gifts		202,883		345,439
Investment income (net)		76,329		81,929
Interest on capital asset-related debt		(2,583,100)		(2,584,773)
Gain (loss) on disposal of assets		(1,507)		(9,557)
Other		(103,614)		(828,653)
Net nonoperating revenues		45,774,645		49,838,295
Income before other revenues and expenses	$	718,559	$	2,215,546
Other Changes in Net Position				
Capital appropriations - GIF	$	850,000		
Capital grants and gifts		415,870		545,927
Adjustments to prior year revenues and expenses		8,511		(314,168)
Other Prior Period Adjustments				38,033
Total other revenues		1,274,380		269,792
Increase in net position	$	1,992,939	$	2,485,338
NET POSITION				
Net position-beginning of period		44,552,203		42,066,865
Net position-end of period	$	46,545,142	$	44,552,203

PULASKI TECHNICAL COLLEGE FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE				
Contributions	$ 10,763	$ 791,954	15,000	$ 817,717
Special Events	135,416			135,416
In-kind Gifts	83,037	71,229		154,266
Investment Income	510	15,405	10,813	26,728
Unrealized gain on securities			5,559	5,559
Net Assets released from Restrictions	750,754	(750,754)		0
Total Revenue and Other Support	980,480	127,834	31,372	1,139,686
EXPENSES				
Scholarships	52,216			52,216
Program	623,913			623,913
Administrative	5,253			5,253
Special Events	78,485			78,485
In-kind	154,266			154,266
Total Expenses	914,133	-		914,133
CHANGE IN NET ASSETS	66,347	127,834	31,372	225,553
NET ASSETS AT BEGINNING OF YEAR	67,390	570,440	703,056	1,340,886
NET ASSETS AT END OF YEAR	$ 133,737	$ 698,274	$ 734,428	$ 1,566,439

Pulaski Technical College

Statement of Cash Flows

For the Year Ended June 30, 2014 and June 30, 2013

Cash Flows from Operating Activities	**2014**	**2013**
Tuition and fees	$ 10,638,680	$ 10,287,239
Grants and contracts	4,151,917	4,532,908
Payments to suppliers	(10,573,033)	(9,164,293)
Payments to employees	(26,159,534)	(26,175,298)
Payments for benefits	(7,114,021)	(7,348,120)
Scholarships and fellowships	(14,280,006)	(18,467,779)
Other receipts (payments)	1,797,763	2,041,491
Net cash provided (used) by operating activities	$ (41,538,234)	$ (44,293,852)
Cash Flows from Non-capital Financing Activities		
State appropriations	17,481,209	16,737,684
Federal Grants & Contracts	28,802,376	33,740,387
Direct Lending Receipts	49,091,564	63,263,706
Direct Lending Payments	(49,091,564)	(63,263,706)
State Grants and Contracts	1,779,773	2,391,176
Other-Agency Funds (net)	(59,173)	16,673
Gifts	202,883	345,439
Net cash flows provided by non-capital financing activities	$ 48,207,068	$ 53,231,359
Cash Flows from Capital and Related Financing Activities		
GSF Funds	850,000	-
Payments from Bond Trustee	5,388,982	12,888,137
Capital gifts received	415,870	545,927
Change in Accounts Payable & Deferred Charges	(939,494)	1,642,095
Purchases of capital assets	(6,405,666)	(14,687,920)
Principal paid on capital debt	(1,880,000)	(1,830,000)
Interest paid on capital debt	(4,305,320)	(4,089,757)
Net cash used by capital and related financing activities	$ (6,875,628)	$ (5,531,518)
Cash Flows from Investing Activities		
Change in Interest Receivable	(829)	1,977
Interest on investments	52,417	48,904
Purchase of investments	(431,540)	(50,000)
Net cash provided (used) by investing activities	(379,952)	881
Net increase (decrease) in cash	(586,747)	3,406,870
Cash and cash equivalents-beginning of year	20,702,955	17,296,085
Cash and cash equivalents-end of year	$ 20,116,207	$ 20,702,955
Reconciliation of net operating revenues (expenses to net cash provided (used) by operating activities		
Operating Income (loss)	$ (45,056,085)	$ (47,622,749)
Adjustments to reconcile net income (loss)		
Depreciation expense	3,135,839	3,067,201
Change in assets and liabilities:		
Receivables, net	440,896	(369,443)
Inventories	3,803	(1,775)
Prepaid Expenses	3,887	1,634
Other Post Employment Benefits	155,490	142,573
Accounts payable and accrued liabilities	(181,563)	449,948
Deferred revenue	(27,878)	(5,416)
Compensated Absences	(12,623)	44,175
Net cash provided (used) by operating activities	$ (41,538,234)	$ (44,293,852)
Non-cash items		
Assets acquired through assumption of a liability		2,025,925
Assets acquired through transfer from another agencyy	49,470	
Interest earned on reserve accounts held by trustees		
Interest from long term debt paid directly from deposit with trustees		269,533

Note 1: Summary of Significant Accounting Policies

Reporting Entity
The State Board of Vocational Education was created under the provisions of Act 328 of 1957 for the purpose of establishing Vocational Technical schools throughout the State of Arkansas for persons age 16 years and older. In 1969, the Little Rock School Board (LRSB) asked the State Board of Vocational Education to operate the Little Rock Adult Vocational School as a state institution with the option of the LRSB resuming operations after one year. The school board never exercised this option. The facility was operated as the Little Rock Vocational School until its move to the new facility October 1969 when its name was changed to Pulaski Vocational Technical School.

Pulaski Technical College was created by Act 1244 on July 1, 1991. The College is now under the Arkansas Higher Education Coordinating Board and is governed by a seven member Board of Trustees.

Financial Statement Presentation
In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements - and Management Discussion and Analysis - for State and Local Governments.* GASB Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, followed this in November 1999. The financial statement presentation required by GASB No. 34 and No. 35 provides a comprehensive, entity-wide perspective of Pulaski Technical College's assets, liabilities, net position, revenues, expenses, changes in net position, cash flows, and replaces the fund-group perspective previously required.

In June 2011, GASB 63 established a new statement of net position format that reports all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. The statement effective June 30, 2013 requires deferred outflows of resources and deferred inflows of resources to be reported separately from assets and liabilities. The financial reporting impact resulting from the implementation of GASB 63 in the college financial statements was the renaming of "Net Assets" to "Net Position", including the name of the financial statements from "Statement of Net Assets" to "Statement of Net Position".

Basis of Accounting
For financial reporting purposes, Pulaski Technical College is considered a special-purpose government engaged only in business-type activities. Accordingly, Pulaski Technical College's financial statements have been presented using the economic resources focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation is incurred. All significant intra-agency transactions have been eliminated.

Capital Assets and Depreciation
Land, buildings, improvements and infrastructure, equipment, library holdings and construction in progress are reported at cost or estimated historical cost if actual data is not available.

Donated capital assets are reported at fair market value when received. The College follows the state guidelines for equipment capitalization. The College also follows the capitalization thresholds for intangible assets which are $1,000,000 for internally generated software and $5,000 for other intangibles.

Depreciation is computed using the straight-line method over the estimated lives of the assets, generally 30 to 50 years for buildings, 20 to 25 years for infrastructure and land improvements, 10 years for library books, 5 years for intangible assets (software) and 5 to 10 years for equipment.

Operating and Non-operating Revenues and Expenses

The College presents its revenues as operating or non-operating based on recognition definitions from GASB Statement No.9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting.* Operating activities are those activities that are necessary and essential to the mission of the College. Operating revenues include all charges to customers, grants received to serve special populations, special programs and provide special services, and sales and services of educational departments. Grants received for student financial assistance are considered non-operating revenues because they provide resources for the direct benefit of the students.

The College receives an administrative cost allowance which is included in operating revenues. Revenues from other non-exchange transactions and state appropriations that represent subsidies to the College, as well as investment income, are considered non-operating since these are investing, capital or noncapital financing activities. Operating expenses are all expense transactions incurred other than those related to investing, capital or noncapital financing activities. Revenues received for capital financing activities are considered neither operating nor non-operating activities and are presented after non-operating activities on the accompanying Statement of Revenues, Expenses, and Changes in Net Position.

Cash Equivalents

For purposes of the Statement of Cash Flows, Pulaski Technical College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Short Term Investments

For purposes of the Statement of Cash Flows, short term investments are not included in cash and cash equivalents but are all highly liquid investments. These include certificates of deposit with a maturity greater than three months.

Accounts Receivable

Accounts receivable consists of tuition and fee charges to students. Accounts receivable also includes amounts due from the Federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts.

Noncurrent Cash
Cash that is externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other nonrecurring assets, are classified as noncurrent assets in the Statement of Net Position.

Restricted/Unrestricted Resources
The College has no formal policy addressing which resources to use when both restricted and unrestricted net position are available for the same purpose. College personnel decide which resources to use at the time expenses are incurred.

Deposits with Trustees
Deposits with trustees are externally restricted and held by banks for the College. They are maintained in order to make debt service payments, to maintain sinking or reserve funds as required by bond covenants.

New Accounting Announcement
In March 2012, GASB 65 amends or supersedes the accounting of financial reporting guidance for certain items previously reported as assets or liabilities. The objective is to properly classify certain items that were previously reported as assets and liabilities as outflows of resources (expenses) or inflows of resources (revenues). The college classified Loss on Refunding as s Deferred Outflow and Advance Revenue as a Deferred Inflow. GASB 65 is effective for the college financial statements for the fiscal year ending June 30, 2014.

Noncurrent Liabilities
Noncurrent liabilities include (1) principal amounts of revenue bonds payable with contractual maturities greater than one year; (2) estimated amounts for accrued compensated absences that will not be paid within the next fiscal year; and (3) other post-retirement benefits payable.

Compensated Absences
Accrued compensated absences reflect accumulated annual leave at June 30, 2014 for full-time employees. Accumulated unpaid annual leave is accrued at the employee's current hourly rate of pay up to a maximum of 240 hours. Effective FY13 accrued compensated absences also include payment for sick leave at retirement based on AR Code 21-4-501 with a maximum payment of $7,500.

Scholarships Discounts and Allowances
Tuition and fee revenues are reported net of scholarships, discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by the students and/or third parties. Pell, SEOG, and other grants are recorded as non-operating revenues in the Statement of Revenues, Expenses, and Changes in Net Position. When revenues from such programs are used to satisfy tuition and fees and other charges, the College records a scholarship, discount and allowance.

Note 2: Public Fund Deposits and Investments

Cash deposits are carried at cost. The College's cash deposits at year-end are shown below:

	Carrying Amount	Bank's Balance
Insured (FDIC)	$ 1,739,057	$ 1,739,057
Collateralized:		
Collateral held by pledging bank or pledging banl	$ 23,229,190	$ 23,802,497
Uncollateralized or backed by US Government:	441,287	-
Total Deposits	$ 25,409,534	$ 25,541,554

The above deposits do not include state treasury deposits (general improvement funds) of $785,457, petty cash of $500 and change fund of $3,650. The above schedule does include certificates of deposit of $5,593,877 reported as current investments and certificates of deposit of $489,054 and cash in the amount of $3 reported as deposits with trustees on the Statement of Net Position. Certificates of deposit classified as nonparticipating contracts are reported at cost.

Deposits with trustees on the Statement of Net Position were $32,486,859, comprised of $489,054 invested in certificates of deposits, $3 cash, and $31,997,802 invested in Federated Go Funds.

Investment Type	Fair Value at June 30, 2014
Money Market Funds- Federated Go Fds	$ 31,997,802

The College is required under GASB Statement 40 to provide investment risk disclosures for all invested funds. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The following tables show these risks for the College's funds.

		Interest Rate Risk
		Investment maturities (in years)
Investment Type	Fair Value	Less than 1
Mutual Funds	$ 31,997,802	$ 31,997,802

		Credit Risk
Investment Type	Fair Value	Aaa
Mutual Funds	$ 31,997,802	$ 31,997,802

The College does not have an investment policy for interest rate risk or credit risk.

Note 3: Income Taxes

Pulaski Technical College is tax exempt under Internal Revenue Service code. It is also exempt from state income taxes under Arkansas law. Accordingly, no provision for income taxes exists in the financial statements.

Note 4: Capital Assets

Following are the changes in capital assets for the year ended June 30, 2014:

	Balance 30-Jun-13	Additions	Retirements	Balance 30-Jun-14
Capital Assets Not Depreciated				
Land	3,431,420.20			3,431,420.20
Construction in Progress	19,116,933.39	7,978,365.83	(17,925,402.77)	9,169,896.45
Total Capital Assets Not Depreciated	22,548,353.59	7,978,365.83	(17,925,402.77)	12,601,316.65
Other Capital Assets				
Intangible Assets	154,335.00	-		154,335.00
Buildings	70,335,004.24	17,378,447.65		87,713,451.89
Improvements and Infrastructure	2,030,753.45	549,790.12		2,580,543.57
Equipment*	7,884,822.34	307,153.02	(415,039.20)	7,776,936.16
Library Holdings	1,214,948.59	44,244.02		1,259,192.61
Total Other Capital Assets	81,619,863.62	18,279,634.81	(415,039.20)	99,484,459.23
Less Accumulated Depreciation				
Intangible Assets	154,335.00	-		154,335.00
Buildings	18,948,318.32	2,401,949.22		21,350,267.54
Improvements and Infrastructure	949,123.42	111,407.21		1,060,530.63
Equipment*	5,794,874.83	591,538.47	(413,532.40)	5,972,880.90
Library Holdings	793,040.84	71,902.89		864,943.73
Totals	26,639,692.41	3,176,797.79	(413,532.40)	29,402,957.80
Other Capital Assets, Net	54,980,171.21	15,102,837.02	(1,506.80)	70,081,501.43
Capital Asset Summary:				
Capital Assets Not Depreciated	22,548,353.59	7,978,365.83	(17,925,402.77)	12,601,316.65
Other capital assets at cost	81,619,863.62	18,279,634.81	(415,039.20)	99,484,459.23
Total Cost of Capital Assets	104,168,217.21	26,258,000.64	(18,340,441.97)	112,085,775.88
Less Accumulated Depreciation	(26,639,692.41)	(3,176,797.79)	413,532.40	(29,402,957.80)
Capital Assets, Net	77,528,524.80	23,081,202.85	(17,926,909.57)	82,682,818.08

*A prior period adjustment of $54,523.80 was the result of artwork purchased in 2011.

Note 5: Deferred Outflows/Inflows of Resources

GASB 65 reclassifies loss on refunding from bond payable to deferred outflows and revenue paid in advance to deferred inflows. A summary of deferred outflows is as follows:

Deferred Outflow on Early Retirements

	Balance 30-Jun-13	Adjustments	Balance 30-Jun-14
Loss on Refunding 2001, 2002, and 2003 Issue	1,111,550	222,310	889,240
Total Loss on Refunding	$1,111,550	$222,310	$889,240

The deferred inflows consist include advance revenues in the amount of $32,140 for 2014 and $60,018 for 2013.

Note 6: Long-term Liabilities

Debt payments on bonds outstanding as of June 30, 2014 amounted to $6,189,578 ($1,880,000 on principal and $4,309,578 on interest and fees).

A summary of long-term debt is as follows:

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding 30-Jun-14	Maturities to 30-Jun-14
11/1/2004	9/1/2034	4.69%	16,540,000	13,990,000	2,550,000
11/1/2006	11/1/2036	3.6-5.0%	15,000,000	13,400,000	1,600,000
9/29/2011	4/1/2041	2-5.0%	69,485,000	65,595,000	3,890,000
Net unamoritized premium			295,795	253,037	42,758
Totals			$ 101,320,795	$ 93,238,037	$ 8,082,758

The changes in the long-term liabilities are as follows:

	Balance 30-Jun-13	Additions	Reductions	Balance 30-Jun-14	due within one year
Bonds Payable and Cap Lease Obligations					
Revenue Bonds Payable-Expo/Kanis 2004	14,390,000		(400,000)	13,990,000	415,000
Revenue Bonds Payable-Transp Ctr 2006	13,812,463		(347,891)	13,464,572	357,891
Revenue Bonds Payable-Culinary & Fine Arts	66,925,381		(1,141,916)	65,783,465	1,166,916
Total Bonds and Notes Payable	$ 95,127,844	$ -	$ (1,889,807)	$ 93,238,037	$ 1,939,807
Other Liabilities					
Compensated Absences Payable LT	$ 1,057,273	$ 1,044,649	$ (1,057,273)	$ 1,044,649	$ 130,474
Other Post Employment Benefits Payable	$ 822,698	$ 155,491		$ 978,189	
Total Other Liabilities	$ 1,879,971	$ 1,200,140	$ (1,057,273)	$ 2,022,838	$ 130,474

Total long-term debt principal and interest payments are as follows. The loss on refunding and premium in the amount of $1,142,277 is not shown:

Schedule of Principal and Interest Payments

Year	Principal	Interest	Total
2015	1,930,000	4,209,811	6,139,811
2016	1,985,000	4,156,715	6,141,715
2017	2,050,000	4,089,080	6,139,080
2018	2,120,000	4,018,530	6,138,530
2019-2023	12,030,000	18,661,245	30,691,245
2024-2028	14,690,000	16,007,313	30,697,313
2029-2033	18,335,000	12,357,763	30,692,763
2034-2038	23,125,000	7,570,200	30,695,200
2039-2041	16,720,000	1,699,000	18,419,000
Totals	$ 92,985,000	$ 72,769,656	$ 165,754,656

Note 7: Commitment

Pulaski Technical College was contractually obligated for the following at June 30, 2014

Contracted Party	Project Name/Purpose	Amt of Contract/Commitment
Jackson Brown Paculict Architects	Fine and Performing Arts and Humanities	548,851
CDI	Fine and Performing Arts and Humanities	23,582,689
Cromwell	Various Projects	18,053
Ketcher and Company	LR West Roof	124,287
RJR Enterprises	Little Learner's Canopy Replacement	108,000
Totals		24,381,880

Note 8: Disaggregation of Receivables and Payables

The following tables display details about major components of the receivable and payable balances that are obscured by aggregation.

Accounts Receivables: The receivables of $1,243,714 at June 30, 2014, are as follows:

	Current Unrestricted	Current Auxillary	Current Restricted	Plant Funds	Total
Accounts (net of allowances)	$ 978,959				$ 978,959
Grants			199,990	-	$ 199,990
Other	55,707	5,476	3,582	-	$ 64,765
Total	$ 1,034,666	$ 5,476	$ 203,572	$ -	$ 1,243,714

Accounts Payables: The payables of $2,513,610 at June 30, 2014 are as follows:

Accounts Payable	$ 236,174		$ 6,373	$ 703,090	$ 945,636
Payroll	385,953		75,275		461,228
Other	46,157		358		46,515
Accrued Interest				1,060,231	1,060,231
Total	$ 668,284	$ -	$ 82,006	$ 1,763,321	$ 2,513,610

Note 9: Retirement Plans

Full-time employees can elect the Alternate Retirement Plan (ARP), the Arkansas Teacher Retirement System (ATRS) or the Arkansas Public Employees Retirement System (APERS). Act 480 of 1983 created the Alternate Retirement Plan. Those employed prior to July 1, 1991 must contribute 6 percent of their gross salary while the College matches 12 percent. Those employed July 1, 1991 and thereafter must contribute 6 percent of their gross and the College matches 10 percent or the rate set by the Board of Trustees. Employees who elect to go with the Teacher Retirement System could elect not to contribute prior to July 1, 2000. After July 1, 2000 all new enrollees in Teacher Retirement must contribute 6 percent. Employees new to the College in grade 16 and below must participate in the Arkansas Public Employees Retirement System. APERS is non-contributory to participants of the College until after July 1, 2005. All new enrollees in APERS must contribute 5 percent. Participants are vested in 5 years with the ATRS and APERS. Participants in the ARP are vested after one year.

In the Alternate Retirement Plan employees can select tax-sheltered annuities from Teachers Insurance Annuity Association/College Retirement Equities Fund (TIAA/CREF), Variable Annuity Life Insurance Company (VALIC), and Met Life (formerly Travelers Insurance Company).

Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF)

Plan Description: The College participates in TIAA/CREF, a defined contribution plan. The plan is a 403(b) program as defined by the Internal Revenue Code of 1986 as amended. TIAA is an insurance company offering participants a traditional annuity with guaranteed principle and a specific interest rate plus the opportunity for additional growth through dividends. CREF is an investment company that offers a variable annuity. Arkansas law authorizes participation in the plan.

Funding Policy: TIAA/CREF has contributory and noncontributory plans. The participants must contribute 6% of their gross earnings to the plan. The College must contribute a matching contribution that ranges between 10% to 12% of the participant’s gross earnings. Participants can elect to contribute more than 6% up to the maximum allowed by law. The College’s and the participants’ contributions for the year ended June 30, 2014 were $641,320 and $384,791, respectively.

MetLife (formerly Travelers Insurance)

Plan Description: The College contributes to the MetLife in a defined contribution plan administered by MetLife. The plan is a 403(b) program as defined by the Internal Revenue Code of 1986 as amended. MetLife issues annuity policies that become the property of the participant.

Funding Policy: The participants must contribute 6% of their gross earnings to the plan. The College must contribute a matching contribution ranging from 10% to 12% of the participant's gross earnings. The participant may also elect to contribute more than 6% up to the maximum allowed by law. The College's and the participants' contributions for the year ended June 30, 2014 were $266,092 and $158,071, respectively.

VALIC

Plan Description: The College contributes to the Variable Annuity Life Insurance Company in a defined contribution plan administered by VALIC. The plan is a 403(b) program as defined by the Internal Revenue Code of 1986 as amended. VALIC issues insurance policies and annuity contracts that become the property of the participant.

Funding Policy: The participants must contribute a minimum of 6% of their gross earnings to the plan. The College must contribute a matching contribution ranging from 10% to 12% of the participant's gross earnings. The College's and the participants' contributions for the year ended June 30, 2014 were $183,453 and $104,522, respectively.

Arkansas Teacher Retirement System

Plan Description: The College contributes to the Arkansas Teacher Retirement System, a cost-sharing multiple-employer defined benefit pension plan for employees who do not elect a qualified alternate retirement plan. ATRS, administered by a Board of Trustees, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. ATRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Arkansas Teacher Retirement System, 1400 West Third Street, Little Rock, Arkansas 72201 or by calling 1-800-666-2877.

Funding Policy: ATRS has contributory and non-contributory plans prior to July 1, 2000. Contributory members are required by law to contribute 6% of all earnings to the plan. The College is required by law to contribute at a rate determined by the Board of Trustees, based on the annual actuarial valuation. The current contribution rate for the College is 14% of covered salaries, the maximum allowed by State law. The College's contributions to the ATRS, including T-Drop and Retiree, for the years ended June 30, 2014, 2013, and 2012 were $866,667, $935,745.08, and $1,027,578, respectively.

Arkansas Public Employees Retirement System

Plan Description: The College contributes to the Arkansas Public Employees Retirement System (APERS), a cost-sharing multiple-employer defined benefit pension plan. Employees may elect coverage under APERS as a qualified retirement system. APERS administered by a Board of Trustees provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Arkansas Public Employees Retirement System, One Union National Plaza, 124 W. Capitol, Suite 400, Little Rock, Arkansas 72201 or by calling 1-800-682-7377.

Funding Policy: APERS has contributory and non-contributory plans until July 1, 2005. Beginning July 1, 2005, a 5% contribution rate is mandatory for all applicable employees. Prior to July 1, 2005, contributory members were required by law to contribute 6% of their earnings. All employees of the College are non-contributory. The College is required by State law to contribute a rate determined by the Board of Trustees, based on the annual actuarial valuation. The current statutory rate is 13.47% of annual covered payroll. The rate will go to 14.88% effective July 1, 2013. The College's contributions to APERS for the years ended June 30, 2014, 2013, and 2012 were $579,640, $426,670, and $232,959, respectively.

Note 10: Postemployment Healthcare Plan

In June, 2004, GASB issued Statement NO. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*, which became effective with the fiscal year ended June 30, 2008. This statement calls for the measurement and recognition of the cost of other post-employment benefits (OPEB). The Statement also requires disclosure of information regarding the actuarially calculated liability and the funding level of benefits associated with past services. The authority under which the plan's benefit provisions are established or amended is the PTC Board of Trustees. The statement has been implemented prospectively.

Description

Pulaski Technical College sponsors an unfunded agent multi-employer defined benefit postretirement medical plan administered by the Arkansas Higher Education Consortium. The Board of Trustees adopted an early retirement policy 2.62 on May 10, 1999, later revised in April 2004 that will pay for a retiring full-time employee's individual health and basic life coverage up to the age of 65 years, provided that their age plus years of service equals 70. The employee must have at least 10 years of service with the College and be at least age 55 or older. Eligible employees may elect single or family coverage: however, the retiree will be entirely responsible for total cost of insurance premium for spouse and any unmarried dependents. The number of retired employees enrolled in the Pulaski Technical College Health Insurance Plan was five and two as of June 30, 2014 and 2013, respectively. A basic life insurance policy of $20,000 is included with the medical coverage.

Funding Policy

The contribution requirements of plan members and the College are established and may be amended by the Board of Trustees. This plan is financed on a pay-as-you-go basis, with the estimated amount included in the College's annual budget. The College paid premiums in the amount of $2,108,415 for the employer portion of medical coverage for fiscal year ended June

30, 2014. Of that amount, the college contributed $18,456 toward current premiums (100% of total premiums) for retirees.

The College's annual other postemployment benefit (OPEB) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or fund excess) over a period not to exceed thirty years. All benefit premiums were paid monthly and financed on a pay-as-you-go-basis. The following table shows the components of the College's annual OPEB cost for the year, the amount of contributions made, and changes in the College's net OPEB obligation:

Annual Required Contribution	$173,500
Interest on Net OPEB obligation	30,851
ARC adjustment $680,125/27.13853	(30,405)
Annual OPEB Cost (Expense)	$173,946
Less; Contributions Made	(18,456)
Increase in Net OPEB Obligation	155,490
Net OPEB Obligation -beginning of year	822,698
Net OPEB Obligation -end of year	978,188

Pulaski Technical College's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for June 30, 2014, June 30, 2013, June 30, 2012, June 30, 2011, June 30, 2010 and June 30, 2009 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of ARC Contributed	Annual Change in NOO	Accumulated Net OPEB Obligation
6/30/2009	$116,265	4%	111,718	221,211
6/30/2010	$161,256	3%	156,718	377,929
6/30/2011	$163,381	3%	158,389	536,318
6/30/2012	$152,886	3%	$143,807	680,125
6/30/2013	$154,545	8%	$142,573	822,698
6/30/2014	$173,946	11%	$155,490	978,188

Actuarial Cost Method and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit costs to the employer at that point.

In the actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a discount rate of 3.75 percent and an annual healthcare cost trend rate of 7.9 percent initially, reduced by decrements to an ultimate rate of 4.5 percent after the eighth year. The unfunded actuarial accrued liability (UAAL) is being amortized over 30-years.

Projected Payouts

The annual college payments for retiree medical and life benefits are expected to rise sharply in the coming years, both because medical costs are expected to rise over time and because more employees will retire and start to receive College-paid medical benefits. The table and graph below show the expected annual payments for retiree medical benefits for the next 10 years under the different medical inflation rates beginning at 7.9% and ending at 4.5%. In determining the net OPEB obligation, the College is using the actual contributions made on behalf of retirees.

Fiscal Year	Baseline less 1%	Medical Inflation Rate	Baseline plus 1%
2014	$31,200	$31,200	$31,200
2015	$16,200	$16,400	$16,500
2016	$31,500	$32,000	$32,600
2017	$44,200	$45,500	$46,700
2018	$60,300	$62,500	$64,800
2019	$58,200	$60,800	$63,600
2020	$63,800	$67,400	$71,200
2021	$68,500	$73,000	$77,700
2022	$82,100	$88,300	$94,900
2023	$83,300	$90,400	$98,200

Medical Benefits

	Monthly Medical Claims Cost	
Age	Male	Female
55	$666	$719
60	$842	$834
62	$933	$895
64	$1,064 *	$967 *

*Retirees are not assumed to continue coverage past 65.

The retiree contribution of $499 is paid by the College if the age plus years of service equals 70 at retirement.

Expenditures were recognized in FY14 in the amount of $18,456 and in the amount recognized in FY13 was $11,972.

Note 11: Natural classifications by Function

The operating expenses by functional classification were as follows:

Functional Area	Personal Services	Scholarships & Fellowships	Supplies & Services	Depreciation	Totals
Instruction	$ 18,683,123		$ 1,996,313		$ 20,679,437
Research					-
Public Service					-
Academic Support	4,332,682		1,866,295		6,198,977
Student Services	4,221,794		795,054		5,016,848
Institutional Support	5,037,662		2,659,565		7,697,228
Oper. & Maint. of Plt	1,186,370		3,036,722		4,223,092
Scholarships & Fellowships		14,280,006			14,280,006
Depreciation				3,135,839	3,135,839
Auxillary			-		-
Totals	$ 33,461,632	$ 14,280,006	$ 10,353,950	$ 3,135,839	$ 61,231,427

Note 12: Discretely Presented Component Unit–Pulaski Technical College Foundation, Inc.

Pulaski Technical College Foundation, Inc. (the foundation) is a legally separate, tax-exempt component unit of Pulaski Technical College. The foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The 20-member board of the foundation is self-perpetuating and consists of friends of the College. Although the College does not control the timing or amount of receipts from the foundation, the majority of resources or income thereon that the foundation holds and invests is restricted to the activities of the College by the donors. Because these restricted resources held by the foundation can only be used by, or for the benefit of the College, the foundation is considered a component unit of the College.

The financial statement for the foundation can be obtained from the Pulaski Technical College, Office of Development, 3000 West Scenic Drive, North Little Rock, AR 72118.

Note 13: Other Information

Leases

Pulaski Technical College executed the following real estate leases:

A. Lease entered July 5, 1984 for land usage of 8.264 acres from the NLR Airport Commission for a period of 99 years to end June 1, 2083 at an annual rate of $1.00 for the College's location at 1600 West Maryland, North Little Rock, Arkansas.

B. Lease entered November 24, 1997 for land usage of 2.22 acres from the Arkansas Aviation Historical Society for a period of 99 years to end April 30, 2092 at an annual rate of $1.00 for the College's location at 3301 East Roosevelt Road, Little Rock, Arkansas.

C. Operating Leases

	Rental Payments				
	Current		Future		Total Future
Vendor	FY2014	FY2015	FY2016	FY2017	Payments
Modular Offices (Mobile Mini)	21,918				-
Saline County Adult Education Center	12,000				-
Copiers (Business World)	25,362	25,362	5,622		30,984
Copiers (Standard Business Systems)	41,574	28,284	23,906	2,151	54,341
Totals	239,871	132,899	62,004	14,788	85,325

Note 14: Risk Management

Since the College has risk exposure, insurance that covers the College contains a variety of coverages. The College participates in the Arkansas Fidelity Bond Trust Fund administered by the Governmental Bonding Board. Coverage is provided for the actual losses incurred as a result of fraudulent or dishonest acts by employees or officials. There is a limit of $250,000 with a deductible of $2,500 for each loss. The Department of Finance and Administration withholds the amount for the premiums from College funds held in state treasury.

The College participates in the Property Insurance Trust Fund Program administered by the Risk Management Division of the Arkansas Insurance Department. The program's general objectives are to formulate, develop and administer on behalf of members, a program of insurance to obtain lower cost for property coverage and to develop a comprehensive loss control program. The fund uses a reinsurance policy to reduce exposure to large losses on insured events. The College pays an annual premium for this coverage.

These coverages are outlined as follows:

Items Insured	Coverage	Contributions	Administrator	Carrier
Buildings	Replacement Cost ($10,000 deductible per incident)	N/A	State of Arkansas Multi-Agency Program	National Union Fire
Contents	Replacement Cost ($10,000 deductible per incident)	N/A	State of Arkanss Multi-Agency Program	National Union Fire
General Liability	N/A	N/A	Ark Claims Commission	N/A
Automobile Fleet	Liability, Collision & Com	N/A	Multi-Agency Program	National Interstate Insuranc
Basic Life Insurance	$20,000 per employee	100% college	Qualchoice-TPA/AHEC	Lincoln
Medical	N/A	rates varies	Qualchoice-TPA/AHEC	Qualchoice
Workmen's Compensation	Reimbursement of medical expenses and loss salary due to job related injury or	Reimbursed quarterly based on salary & pre-determined rate	Arkansas Public Employees Claims Division	N/A
Directors & Officers Liability	Maximum Limit $5,000,00 EPL deductible of $100,00 D&O deductible of $1,000	Policy cost paid annually	Bancorp South	United Educators
Liability-Daycare	$2,000,000 liability $1,000 & bodily injury, $50,000 fi medical payments	Policy cost paid annually	Bancorp South	Scottsdale Insurance Company
Liability -Clinical Students in Respiratory Therapy	Limits $2,000,000/$4,000,(	cost paid annually	Seabury & Smith	Liberty Insurance Underwriters
Liability -Allied Health Professions	Limits $1,000,000/$5,000,(	paid annually	Healthcare Providers	American Casualty Co
Liability-Argenta Com The	Limit $1,000,000/$2,000,0	paid annually	Bancorp South	Cincinnati Specialty Underwriters Ins

Note 15: Pledged Revenues

At June 30, 2014, the College's pledged revenues were as follows:

Bond Series	Date	Purpose of Debt	Principal & Int	& Int Paid	Revenue Source	Collected	Pledged
Series 2004	9/1/2034	Expo/Kanis	$22,272,958	$1,059,842	Student Tuition & Fees	$29,443,621	4%
Series 2006	11/1/2036	Transp Center	$21,773,321	$954,309	Student Tuition & Fees	$29,443,621	3%
Series 2011	4/1/2041	Culinary & Fine /	$121,708,378	$4,126,540	Student Tuition & Fees	$29,443,621	14%

Note 16: Subsequent Event

There are no subsequent events to report.

Note 17: Prior Period Adjustment

The audited financial statements for FY13 were restated to account for GASB 65 adjustments to Bond Issuance Cost and equipment purchases in prior periods. The adjustments are as followed:

Amount	Description
$ (715,001.93)	GASB 65 Adjustment for Bond Issuance Costs -Other Non-Operating
$ 54,523.80	Equipment acquired in Prior Year
$ (16,490.95)	Prior Year Depreciation Expense
$ (676,969.08)	**Total Prior Period Adjustments**

Post-Employment Benefits Other Than Pensions (OPEB)

The following information is required to be disclosed in the College's financial statement once GASB 45 has been implemented.

Schedule of Funding Progress

Actuarial Valuation Date	Market Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funding Ratio a/b	Annual Covered Payroll c	UAAL % of Covered Payroll (b-a)/c
July 1, 2007		$ 571,000	$571,000	0%	$12,331,652	4.6%
July 1, 2009		$775,900	$775,900	0%	$15,147,815	5.1%
July 1, 2011		$740,800	$740,800	0%	$19,585,139	3.8%
July 1, 2013		$882,600	$882,600	0%	$20,783,882	4.2%

The results shown above are based on the baseline assumptions with respect to the medical inflation rate and the discount rate of 3.75 percent. The 3.75% discount rate assumes that benefits are not pre-funded and it is based on expected earnings from the College's general fund.

	Total
Accrued Liability	$882,600
Assets	$0
Unfunded Accrued Liability	$882,600
Amortization Period	30
Past Service Cost	$32,600
Normal Cost	$134,600
Interest	$6,300
ARC for FY2014	$173,500

The annual required contribution determined above consists of two pieces: a normal cost (the cost of benefits earned each year should be accrued in that year) plus a past service cost (a catch-up accrual to amortize the unfunded accrued liability). The amortization period should be reasonably related to the period of service over which retiree benefits are earned. The 30 year amortization, which is the longest permitted under GASB 45, was selected.

PULASKI TECHNICAL COLLEGE
REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2014

Schedule of Selected Information for the Last Five Years
For the Year Ended June 30, 2014
(Unaudited)

	Year Ended June 30,				
	2014	2013	2012	2011	2010
Total Assets	$144,441,228	$145,536,264	$140,736,352	$90,662,907	$87,113,588
Total Liabilities	97,896,085	100,984,061	98,669,487	50,841,808	52,429,073
Total Net Assets	46,545,142	44,552,203	42,066,865	39,821,099	34,684,515
Total Operating Revenues	16,175,342	17,236,497	17,464,242	19,499,815	18,284,633
Total Operating Expenses	61,231,427	64,875,737	69,056,169	67,165,605	57,427,397
Total Net Non-Operating Revenue/Expenses	45,774,645	49,838,295	53,784,561	50,999,262	42,351,443
Total Oth Revenues, Expenses & Gains or Lo	1,274,380	286,283	53,132	1,803,112	3,639,063

APPENDIX C

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $_________ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _________

Risk Premium: $_________
Member Surplus Contribution: $_________
Total Insurance Payment: $_________

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ______________________________

Authorized Officer