

ACRONYMS AND COMMONLY USED WORDS

Acronym

- 501(c)(3) Nonprofit organization under IRS Code 501(c)(3)
- ADA Americans with Disabilities Act
- AHCA American Health Care Association
- Arbitrage**(Program’s Gross Spread): The yield differential between the bond and, in the case of Mortgage Revenue Bonds, the mortgage contract rate
- ARM Adjustable-Rate Mortgage or Variable-Rate Mortgage
- ARRA American Recovery and Reinvestment Act
- BAB Build America Bond
- BAN Bond Anticipations Note
- Bond Cap:** A federal limit on the amount of tax exempt bonds that can be issued by a state in any given year to finance qualified projects
- BMA Bond Market Association
- BPM Bond Portfolio Management
- BPS Basis Points. Refers to yields on municipal securities. One basis point = .01 or 1/100th of 1 percent.
- BQ BankQualified Bond
- BQS Bank Qualified Status
- CA Common Area
- CABs Capital Appreciation/Accumulator Bonds
- CAFR Comprehensive Annual Financial Reports
- CAU Common Area Unit
- CBPP Center on Budget Policy Priorities
- CLTV Combined Loan to Value
- CMS Constant Maturity Swap
- COBs Convertible Option Bonds
- COI Cost of Issuance. All expenses related to authorization, sale & issuance of bonds
- Credit Enhancement:** An additional source of credit to strengthen a bond issue or financial structure; for example, using FHA insurance to “credit enhance” single family loans

DSRF Debt Service Reserve Fund

EECs Energy Efficiency Certificates

EMMA Electronic Municipal Market Access

EPA Environment Protection Agency

Equity Investment: Money invested in a bond deal by the borrower/developer from their own funds

FA Financial Advisor

FAQs Frequently Asked Questions

FASB Financial Accounting Standards Board

FDA Forward Delivery Agreement

FDIC Federal Deposit Insurance Corporation

FDP Foreign Duty Pay

FFC Full Faith Credit

FHLB Federal Home Loan Bank

FINRA Financial Industry Regulatory Authority

GAO Government Accounting Office

GASB Governmental Accounting Standards Board

GIC Guaranteed Investment Contract

GMA Growth Management Act

GOF General Operating Fund

GP General Partner

GSEs Government-Sponsored Enterprises

GSR General State Revenue

HIPAA Health Insurance Portability and Accountability Act

IDA Individual Development Accounts

IRB Industrial Revenue Bond

IRB Institutional Review Board

IRS Internal Revenue Service

L & I Labor and Industries

LIBOR London Inter-Bank Offered Rate

LLC Limited Liability Company

LLPA Loan Level Price Adjustments

LOC Letter of Credit

LP Limited Partnership

- LTV Loan-to-Value. Ratio of funds borrowed relative to total sales price.
- LURA Land Use Restriction Agreement
- MAP Market Area Profiles
- MBS Mortgage Backed Securities
- MI Mortgage Insurance
- MMD Municipal Market Data
- MOU Memorandum of Understanding
- MOUs Memorandums of Understandings
- MRB Mortgage Revenue Bond
- MSIL Municipal Securities Information Library
- MSRB Municipal Securities Rulemaking Board
- NAHEFFA National Association of Health and Educational Facilities Finance Authorities
- NBQ Non-Bank Qualified Bond
- Negative Arbitrage:** The result of paying a higher interest rate on bonds than is achieved from the investment of bond proceeds.
- NIBP New Issue Bond Program
- NIC Net Interest Cost
- NMTC New Market Tax Credits
- NOFA Notice of Funding Availability
- Nonprofit Bonds:** Municipal bonds issued to finance capital facilities owned by recognized 501(c)(3) nonprofit organizations; the interest earned on the bonds is exempt from federal taxation
- Nonprofit Facility:** A capital facility owned by a recognized 501(c)(3) organization that is used for charitable purposes
- OAR Official Action Resolution
- OID Official Intent Declaration
- OS Official Statement. Document providing detailed security & financial information on the bond issue.
- OTC Over-the-Counter Market
- OTS Office of Thrift Supervision

PIS Placed in Service
PLR Private Letter Ruling
PMA Primary Market Area
POS Preliminary Official Statement

Private Activity Bond Cap: The same as Bond Cap- A federal limit on the amount of tax exempt bonds that can be issued by a state in any given year to finance qualified projects

Private Placement: The sale of tax exempt bonds directly to an investor such as a bank or insurance company rather than selling the bonds in the municipal bond market

QECCBs Qualified Energy Conservation Bonds
QIB Qualified Investment Buyer
QNP Qualified Non Profit

RBI Revenue Bond Index
RECs Renewable Energy Certificates
REET Real Estate Excise Tax
REPO Repurchase Agreement
Rev Proc Revenue Procedure (IRS)
Rev Ruling Revenue Ruling (IRS)
RFP Request for Proposal
RFQ Request for Qualifications
RZ-EDBs Recovery Zone Economic Development Bonds
RZFBS Recovery Zone Facility Bonds

SEC Securities and Exchange Commission
Serial Bonds: Bonds issued with serial maturity dates and commensurate interest rates.

SET Sustainable Energy Trust
SIFMA Securities Industry & Financial Markets Association
SLG State and Local Government Securities
SOX Sarbanes Oxley Act
S&P Standard & Poor's
SWAP Interest Rate Swap. An obligor on fixed-rate debt agrees to exchange repayment responsibilities with an obligor on a similar amount of variable-rate debt

- TAM Temporary Advice Memorandum (IRS)
Tax Exempt Bonds: Municipal bonds on which the interest earned is exempt from federal income taxes
- TANs Tax Anticipation Notes
- TDC Total Development Cost
- TEFRA Tax Equity Fiscal Responsibility Act
TEFRA Hearing:A public hearing required prior to the issuance of certain kinds of tax-exempt bonds.
- TEMPS Tax-Exempt Mandatory Paydown Securities
Term Bond: A bond with a single stated maturity date
- VRDB Variable Rate Demand Bonds

Wrap: Usually the use of a letter of credit or another type of credit enhancement to provide additional financial backing for a bond issue or project financing by “wrapping” the deal with a stronger credit.

Zero Coupon Bonds:Bonds which sell for less than their face amount because no interest is paid until maturity.