

0620.01 Obtaining State Administrative Board Approval

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PURPOSE

To describe the structure and process for obtaining State Administrative Board approval as required by statutes, resolutions, and administrative guidelines, under authority of MCL 17.1, 17.2 and 17.3.

APPLICATION

Executive Branch Departments and Sub-units, community colleges and universities (Agency)

CONTACT AGENCY

Department of Technology, Management and Budget (DTMB)
State Administrative Board (Ad Board)

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SUMMARY

The Ad Board exercises general supervisory control over the functions and activities of all administrative departments, state officers, boards, commissions and all state institutions for approval of funds expenditures including contracts, grants and leases; oversight of the state capital outlay process; resolution of claims against the state with a value of less than \$1,000; and approval of contracts for intellectual property.

The Ad Board functions through three standing committees that make recommendations to the Ad Board. The standing committees are: (1) Finance and Claims (F&C), (2) Building, and (3) Transportation and Natural Resources (T&NR). For a description of the members of the three standing committees refer to the May 2, 1995 Ad Board Resolution from the [resolutions list](http://www.michigan.gov/documents/resolution_list_155716_7.pdf) (http://www.michigan.gov/documents/resolution_list_155716_7.pdf).

The seven members of the Ad Board are the Governor, Lieutenant Governor, Secretary of State, Attorney General, State Treasurer, Director of the Michigan Department of Transportation, and the Superintendent of Public Instruction. Members may appoint someone to serve in their place at meetings. Pursuant to the January 3, 1974 Ad Board Resolution, the Director of DTMB serves as Ad Board Secretary and provides staff support. The Director of DTMB has delegated the position of Ad Board Secretary to provide support to the Ad Board.

The Board, and its committees, will meet at least twice a month or as provided in its Annual Calendar, adopted by the Ad Board before the start of each State fiscal year pursuant to the August 6, 2013 Resolution 2013-3.

The Ad Board Secretary prepares the Ad Board's annual calendar (Annual Calendar) of the Ad Board's and committees' regular meetings and submission deadlines for adding items to the F&C committee's agendas. Preparers of the Building Agendas and the MDOT, DNR, and DEQ agendas for T&NR confer annually with the Ad Board Secretary to set their internal deadlines for agenda submissions to the Ad Board Secretary. If an Agency requires Ad Board action before the next regularly scheduled committee or Ad Board meeting, the Agency should consult the [Notice of Special Information or Special Meetings](http://www.michigan.gov/micontractconnect/0,4541,7-225-48756-183709--,00.html) (<http://www.michigan.gov/micontractconnect/0,4541,7-225-48756-183709--,00.html>) for instructions on how to prepare the written request for a special committee or Ad Board meeting.

Ad Board Committees' Prescribed Functions:

- Finance and Claims Committee considers and makes recommendations to the Ad Board for approvals of:
 - Award of new grants and grant amendments pursuant to the August 30, 2011 Ad Board Resolution 2011-1.
 - Award of new contracts for commodities or services and contract amendments pursuant to the August 30, 2011 Ad Board Resolution 2011-1.
 - Claims against the state for less than \$1,000 pursuant to MCL 600.6419(1) and 600.6420.
 - Release of Capital Outlay allocations pursuant to MCL 18.1246(2).
 - Disposition of lost, unclaimed, or abandoned personal property pursuant to MCL 434.156.
 - Release of liens related to the former State Emergency Relief Program (SER) for mortgage payments, land contract payments, property taxes and home repair. The SER law has been repealed, but the Ad Board continues to release liens authorized under SER.
 - Petty cash pursuant to MCL 18.1421(1)(f).
 - The Annual Calendar of committee and Ad Board meetings and F&C submission deadlines pursuant to the April 5, 1997 Ad Board Resolution.
 - Contracts for intellectual property and licensing of their use pursuant to MCL 17.401 and 17.402.
 - Annual contract templates for the Michigan Education Trust pursuant to MCL 390.1426(2).
 - Bond Financing resolutions pursuant to MCL 17.451, MCL 324.4504(1), MCL 324.19703, MCL 324.71503, MCL 388.921, and MCL 388.981.
 - Ad Board resolutions made in accordance with the Ad Board's authority to adopt procedures for its governance pursuant to MCL 17.2.
 - Applications for fiscal stabilization bonds pursuant to MCL 141.1002.

- Designation of renaissance zone creation, amendment, or revocation pursuant to MCL 17.2a.
- State Records retention and disposal schedules per MCL 18.1287(3)(c).
- Agreements between the Secretary of State and the United States government regarding identification cards per MCL 28.291(9) and MCL 257.307(15).
- Monthly reports of claims paid under a department director's delegated authority for employee claims under \$500 pursuant to MCL 600.6420.
- Special Items

Submissions to the F&C follow the applicable guidelines in Administrative Guide Procedures 0620.02, 0620.03, 0620.04, 0620.05, 0620.06, 0620.07, 0620.08, and 0620.09; the August 30, 2011 Ad Board Resolution 2011-1; and other Ad Board resolutions in effect at the time of the submission to the committee. The Ad Board Secretary prepares the F&C agendas. The F&C committee meets the Tuesday before the Ad Board meeting at 11:00 a.m.

- Building Committee considers and makes recommendations to the Ad Board for approvals of:
 - Awards of state construction and related professional services contracts pursuant to MCL 18.1241.
 - Property leases for use by state agencies pursuant to MCL 18.1221(1).
 - State Building Authority furniture and equipment leases for use by state agencies pursuant to MCL 30.417(3)(1).
 - State Building Authority facility leases for public purposes pursuant to MCL 830.417(1).
 - Establishment of state annual rental rates pursuant to MCL 18.1221(6).
 - Matters relating to real estate acquired by the state pursuant to MCL 322.1.
 - Transfers of tax reverted properties pursuant to MCL 124.770.
 - Matters relating to easements pursuant to MCL 18.1221(5).
 - Disposal of DMVA armories, facilities or land pursuant to MCL 32.782.

Submissions to the Building Committee follow the guidelines provided in the December 16, 1997 Ad Board Resolution, defining the authority of the DTMB Director for the awarding of contracts for professional services, construction, and leased space; the January 29, 2013 Ad Board Resolution 2013-1, defining the construction contracts bidding procedure; and resolutions in effect at the time of submission to the committee. The DTMB Office of Design and Construction sets the deadlines for item submission and prepares the Building committee meeting agendas. The Building committee meets the Tuesday before the Ad Board meeting at 11:00 a.m.

- Transportation and Natural Resources (T&NR) Committee considers and makes recommendations to the Ad Board for approvals of:

- Awards of MDOT contracts and agreements pursuant to the August 30, 2011 Ad Board Resolution 2011-2.
- Department of Natural Resources (DNR) oil, gas, and mineral leases and changes to these leases pursuant to MCL 324.502(3) and MCL 324.503(5).
- Department of Environmental Quality (DEQ) conveyances of submerged lands pursuant to MCL 324.32503.

MDOT submissions to the T&NR Committee follow the requirements in the August 30, 2011 Ad Board Resolution 2011-2. MDOT sets the deadlines for item submission and prepares the MDOT agenda for the T&NR committee meetings.

DNR submissions to the T&NR Committee follow the requirements in MCL 324.502(3) and MCL 324.503(5). DNR sets the deadlines for item submission and prepares the DNR agenda for the T&NR committee meetings.

DEQ submissions to the T&NR Committee follow the requirements in MCL 324.32503. DEQ sets the deadlines for item submission and prepares the DEQ agenda for the T&NR meetings.

The T&NR Committee meets the Tuesday before the Ad Board meeting at 11:00 a.m.

APPLICABLE FORMS

Finance and Claims Committee Forms:

DTMB-1104 Claim Against the State of Michigan for Personal Losses Less Than \$1,000

DTMB-3526 Finance and Claims Agenda Format

DTMB-3527 Grant Abstract (New Grant or Amendment)

DTMB-3529 Bid Tabulation and Recommendation for New Contract Award

DTMB-3530 Contract Change Recommendation

MDOT-3600 Claim of Damages Less than \$1,000

Building Committee Forms:

DTMB-0402 Contract Order and Contract Change Order

DTMB-0412 Bid Tabulation and Recommendation for Contract Award

PROCEDURES

Proposing Agency

- Refers to the current Ad Board threshold resolutions to determine if the proposed item requires Ad Board approval.
- For F&C items, refers to the Annual Calendar to select the appropriate committee meeting to submit its proposed item allowing sufficient lead-time to

prepare and submit supporting documents. Submissions for the F&C Agenda are due in accordance with the deadlines in the Annual Calendar.

- For Building items, refers to the DTMB Design and Construction calendar for deadlines.
- For DEQ, DNR, and MDOT items for the T&NR agenda, refers to the appropriate Agency calendar for deadlines.
- Assures that all prerequisites, including all required reviews and approvals, are met before submission for committee action. With the exception of MDOT items, items without approvals must not be placed on agendas (Items will not be approved contingent on future approvals).
- An emergency purchase (see Ad Guide Procedure 0510.38) is defined as a purchase in an emergency situation which has a value in excess of a department's delegated purchasing authority and is made to protect the immediate health, safety, or welfare of individuals or property. Due to the immediate nature of an emergency purchase, approval by the State Administrative Board is not required, but requires the Agency to report in writing to the Ad Board within 45 days of execution. Emergency purchase reports are placed in the Special Items Section of the F&C Agenda.
- A request for retroactive approval of a non-emergency purchase made without the Ad Board prior approval must be accompanied by a letter from the Agency's director explaining the reason the purchase was made without prior Ad Board approval and how the Agency's procedures have been modified to prevent purchases without prior Ad Board approval in the future.
- Refers to Administrative Guide Procedures as applicable - 0620.02, 0620.03, 0620.04, 0620.05, 0620.06, 0620.07, 0620.08 and 0620.09 for the F&C.
- Refers to Administrative Guide Procedures as applicable - 0110.01 for Surplus Real Property; 0110.03 for Facility Leasing; 0110.04 for Allocation of Project Funding; 0110.05 for Purchase of Real Property; 0110.07 for Construction of New Buildings/Facilities; 0110.08 for Additions or Renovations; 0110.09 for Professional Services (Major Projects); and 0110.10 for Professional Services (Minor Projects) for the Building Committee.
- Refers to MDOT's procedures for T&NR Committee submissions.
- Refers to DNR's procedures and Administrative Guide Procedure 1710.17 State Owned Mineral Rights for DNR's agenda for the T&NR Committee.
- Refers to DEQ's procedures for DEQ's Bottomland procedures for the T&NR Committee.
- Items withdrawn at a previous standing committee meeting or an Ad Board must be resubmitted to the appropriate standing committee in order to be reconsidered at a later Ad Board meeting.

Claimant

- Uses the Claim Against the State of Michigan for Personal Losses Less Than \$1,000 (DTMB-1104) or the Claim of Damages Less than \$1,000 (MDOT-3600) and refers to the applicable Administrative Guide Procedures 0620.06 for Prisoner Claims, 0620.07 for State Employee Claims, or 0620.08 for General Public and MDOT Claims.

Ad Board Secretary

- Maintains Ad Board records.
- Reviews all submissions to the committees and to the Ad Board for compliance with Ad Board requirements.
- Prepares agenda for the F&C.
- Prepares reports of each committee meeting.
- Prepares the minutes of Ad Board meetings.
- Posts agendas, reports, minutes, Annual Calendar, and special/new information on the Ad Board website.
- Forwards Ad Board claim decisions to Agencies.
- Posts the stamped approvals from the F&C on the DTMB Intranet site.
- Posts the final agendas, committee reports, and Ad Board minutes on the Ad Board website.
- Signs deeds, jurisdictional transfer affidavits, and license agreements requiring the Ad Board Secretary's notarized signature; forwards them to the Governor for signature; and upon their return, forwards the original documents to the requesting Agency.
- Reviews and signs Certifications prepared for the State Building Authority and Michigan Strategic Fund bond closings and returns the certifications to the State Building Authority or Treasury's Bond Counsel.
- For MDOT claims from the public, requests a copy of the claim file from the MDOT Regional Transportation Center and processes the claims per 0620.08.
- Processes claims per 0620.06, 0620.07, or 0620.08.
- Corresponds with individuals who have filed claims against the state.
