



DEPARTMENT OF ENVIRONMENTAL QUALITY  
POLICY AND PROCEDURES

**SUBJECT:** STATE ADMINISTRATIVE BOARD APPROVAL  
**Date:** March 31, 2000  
**Revised:** June 22, 2009

**Number:** 01-010  
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**ISSUE:**

State statute(s) and administrative guidelines require that State Administrative Board (Ad Board) approval must be obtained for all contracts, leases, grants, state land transactions, small claims settlements, and other forms of disposal of state assets where the initial award is \$25,000 or greater; any contract amendments which result in an award amount of \$25,000 or more; and, any amendments of \$25,000 or more. Exceptions to this include statutory state grants to other units of government or contracts specifically approved by the Governor.

**DEFINITIONS:**

*“State Administrative Board”* is a body comprised of the Governor, lieutenant governor, attorney general, secretary of state, state treasurer, and the superintendent of public instruction. The board exercises general supervisory control over the functions and activities of all administrative departments, commissioners, and officers of the state and of all state institutions.

*“Other units of government”* means a county, city, village, or township, or an agency of a county, city, village, or township; the office of a county drain commissioner; a soil conservation district established under Part 93, Soil Conservation Districts, of the Natural Resources and Environmental Act, 1994 PA 451, as amended (NREPA), a watershed council; a local health department as defined in Section 1105 of the Public Health Code; 1978 PA 368, MCL 333.1105; or an authority or any other public body created by or pursuant to state law.

**POLICY:**

The Department of Environmental Quality (DEQ) shall secure Ad Board approval for all contracts, leases, and grants falling under its jurisdiction. It is the responsibility of all DEQ bureau/division/offices to obtain Ad Board approval prior to signing any contract/grant agreement. All submittals to the Ad Board will go under the director’s signature after review by the deputy director.

The DEQ Procurement Unit will require verification of Ad Board approval prior to issuing any purchasing document.

Any questions as to whether Ad Board approval is necessary should be directed to the chief of the Office of Business Services (OBS), DEQ.

**DEQ POLICY AND PROCEDURES**

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**PROCEDURE:**

**Responsibility**

**Action**

DEQ Bureau/Division/Office Staff

1. Forwards the division-approved Ad Board packet to the DEQ Procurement Unit within published Ad Board submission deadline dates as noted on DEQ Ad Board calendar posted to DEQ intranet to meet contract/grant timeframes. The packet must contain any required DEQ director approval of grant and all documentation in accordance with Department of Management and Budget (DMB) Administrative Guide 0620.02, Submissions to the Finance and Claims Committee.

NOTE: Electronic version of SAB-812 and SAB-810 must be forwarded to DEQ-FBSD-AdBoard Agenda mailbox for all grant submissions.

DEQ Procurement Unit

2. Reviews packet to verify all required information is contained in packet. If packet is complete, logs information into procurement tracking log.

NOTE: If packet is not complete, DEQ Procurement Unit will contact as appropriate, DEQ division senior executive management assistant (SEMA) or procurement liaison requesting required information.

3. Forwards completed Ad Board packet to OBS chief/Financial Business Services Division (FBSD) chief as appropriate for review and approval. Monitors status of packet to assure approval/denial within five work days of submission to OBS chief/FBSD chief.

**DEQ POLICY AND PROCEDURES**

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**Responsibility**

**Action**

FBSD Chief and/or  
OBS Chief

4. Reviews package received from DEQ Procurement Unit and notes approval as required.

NOTE: If not approved, notes reason for denial and return to Procurement Unit. DEQ Procurement Unit logs denial and returns to appropriate DEQ bureau/division/office SEMA or division procurement liaison. No further action taken.

DEQ Procurement Unit

5. Enters notification information in "Return Stamped Approvals To:" section of SAB-812.
6. Forwards completed SAB-812 to DEQ director for review.

DEQ Director/Designee

7. Reviews SAB-812 and signs as approved and returns to DEQ Procurement Unit.

DEQ Procurement Unit

8. Coordinates SAB-810 listing all items submitted for Ad Board review.
9. Logs approval date in Procurement Tracking Log for tracking purposes.
10. Forwards Ad Board package containing SAB-810, SAB-812, and all other required Ad Board documents to the Ad Board secretary.

NOTE: If information is missing or additional information is required, the Ad Board secretary will contact DEQ Procurement Unit to supply necessary information.

State Ad Board

11. Reviews and approves/disapproves request. Returns packet to Ad Board secretary.

State Ad Board Secretary

12. Returns signed and dated documentation of Ad Board decision to DEQ Procurement Unit.

**DEQ POLICY AND PROCEDURES**

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**Responsibility**

**Action**

DEQ Procurement Unit

13. Logs return date from the Ad Board in the Procurement tracking Log and return packets to DEQ bureau/ division/office SEMA and/or procurement liaison as appropriate.

**FORMS USED:**

[SAB-810 Agenda Format](#)

[SAB-812 Grant Abstract](#)

[DMB Bid Tab – New](#)

[DMB Bid Tab – Change](#)

[DMB Bid Tab – New Instructions](#)

[DMB Bid Tab – Change Instructions](#)

**REFERENCES:**

[DMB Administrative Guide Procedure 0620.01, Obtaining State Administrative Board Approval](#)

[DMB Administrative Guide Procedure 0620.02, Submissions to the Finance and Claims Committee](#)

[DEQ Policy and Procedures No.10-002, Grant Contract Administration and Grant Contract Procedures](#)

[State Administrative Board Resolution 2003-1](#)

[DEQ Administrative Board Calendar](#)

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Approved: \_\_\_\_\_ Date: \_\_\_\_\_