

Program Requirements – September 2021

Closing Date: September 2, 2021

Eligibility Requirements

- Principal and interest on the Note may not exceed 40% of the PSA's state school aid that is not already pledged as of the date of closing.
- Projected cash flow must demonstrate the ability to repay the Note.
- Required documentation must be submitted by the PSA's note counsel on or before the application deadline of July 12, 2021.

Security Requirements

- Pledge of state school aid payments **October 2021 - August 2022**.
- Agreement to authorize the intercept of state school aid for monthly payments and advancement of state school aid in the event of default or shortfall in monthly intercept amount.

Qualification/Prior Approval Requirement

- All Michigan Public Schools are required to become Qualified or obtain Prior Approval before borrowing money for operating expenses.
- Qualification can take up to 30 business days from date of application.
- It is recommended all schools apply for qualification even if they do not anticipate a future borrowing need.

Helpful Links

- [CEFD Qualifying Statement or Proof of Application](#)
- [Qualifying Statement -- Changes to Filing Process](#) PDF
- [Application to Issue Short-Term Municipal Securities – Changes to Filing Process](#) PDF **Effective: February 1, 2016 (Revised April 13, 2018)**

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