

Program Requirements – September 2023

Closing Date: August 31, 2023

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 10, 2023.

Security Requirements

- Pledge of state school aid payments **October 2023 - August 2024**.
- 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)****

Michigan Finance Authority

Richard H. Austin Building, 1st Floor
430 W. Allegan
Lansing, MI 48922

Contact: Graham Davidson (517) 335-6102
Michelle Viaches (517) 241-2847

www.michigan.gov/mfa
TreasMFA-PSA-StateAidNote@michigan.gov