

Application and Loan Process – September 2023

Closing Date: August 31, 2023

1. PSA Selects Note Counsel

The Bond Buyer's Municipal Marketplace Directory (a.k.a. the "Red Book") must recognize a PSA's note counsel. Contact the MFA for a listing of recognized note counsel, if necessary.

The MFA will only accept applications for participation in the State Aid Note pool from the PSA's note counsel. Public school academies should not submit the application directly to the MFA.

2. PSA Completes Application and Projected Cash Flow

The *PSA State Aid Note Program Application* (Form 4039A) and the *PSA State Aid Note Program Projected Cash Flow* (Form 4046A) are available from the MFA website at: www.michigan.gov/mfa

3. PSA's Board of Directors Adopts Borrowing Resolution

The borrowing resolution is available on the MFA website at: www.michigan.gov/treasury/0,4679,7-121-1753_55952_91251-64849--,00.html

4. PSA Must Obtain Prior Approval or Qualified Status from Treasury, Community Engagement and Finance Division (CEFD)

PSA's note counsel may be of assistance with the prior approval application process. A Qualifying Letter or a copy of the prior approval application must be on file with the Community Engagement Finance Division.

5. PSA's Note Counsel Submits Required Documentation to MFA on or before Application Deadline

- a. Completed *PSA State Aid Note Program Application* (Form 4039A)
- b. Educational Service Provider Agreement (management contract or human resource agreement), if any
- c. Letter from the PSA's Authorizing Body stating there is a valid charter and there are no outstanding notices to revoke or terminate
- d. Completed *PSA State Aid Note Program Projected Cash Flow* (Form 4046A) **submitted electronically as an Excel spreadsheet**
- e. General Fund Budgets
 1. Prior fiscal year, as amended
 2. Current fiscal year, as adopted
- f. Authorizing resolution adopted by the PSA's Board of Directors



Michigan Finance Authority

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Contact: Graham Davidson (517) 335-6102
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www.michigan.gov/mfa
TreasMFA-PSA-StateAidNote@michigan.gov

6. MFA Prices the Notes and E-mails Purchase Contract

- a. After pricing, MFA will e-mail the purchase contract to the PSA's primary and alternate contacts identified in the PSA SAN application.
- b. E-mail the signed copy of the purchase contract to MFA at:

TreasMFA-PSA-StateAidNote@michigan.gov

7. PSA's Note Counsel Submits Closing Documents and PSA Receives Funds

- a. MFA will e-mail forms of all required documents to a PSA's note counsel in advance of the closing date.
- b. Each PSA must coordinate with its note counsel and fully execute six copies of all required closing documents.
- c. PSA's note counsel must deliver all required, executed documents to the MFA's PSA SAN Note Counsel, including the following, which are required for disbursement of funds:
 1. Completed Incumbency Certificate
 2. Completed Requisition Certificate
- d. On the closing date, the MFA's trustee will wire PSA's note proceeds' according to requisition certificate and wire instructions provided by the PSA on the PSA SAN application.

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