

State of Michigan
Administrative Guide to State Government

1290.01 Bond Sales

Issued: January 1, 1994
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SUBJECT: Bond Sales.

APPLICATION: Executive Branch Departments and Sub-units, Community Colleges and State Universities.

PURPOSE: To sell bonds for new construction, equipment, and renovations of and additions to existing buildings or facilities.

CONTACT AGENCY: Department of Technology, Management and Budget (DTMB)
State Building Authority (SBA)
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SUMMARY: The Legislature authorizes the State Building Authority (SBA) to provide bonds for the construction of a new building or facility, or the renovation or addition to an existing building or facility.

APPLICABLE FORMS: None.

PROCEDURES:

Legislature:

- Authorizes a project to be funded by SBA bonds.

DTMB Facilities & Business Services Administration (FBSA):

- Contracts for design and construction of the facility (see Administrative Guide Procedure 0110.08).

SBA:

- Obtains bond counsel, financial advisor and appraiser.
- Appoints bond underwriter.
- Works with bond counsel to prepare proposed lease documents.
- Obtains Legislative and State Administrative Board approval of lease.
- Adopts resolutions to approve leases and issue bonds.
- Issues official statement and markets bond issue.
- Sells and delivers bonds.

DTMB FBSA:

- Provides oversight of construction of facility.

Agency:

- Occupies facility.

Legislature:

- Appropriates annual rental funds.
