

## **State Bond Commission Guidelines for Preliminary and Final Bond Approval**

The following procedure will apply to those entities which require a two-step process (preliminary and final) on bonds. In addition, the procedure for final approvals will also apply to those entities which require only a one time approval. **This procedure serves as a guideline to debt analysts for use in making the determination as to whether or not all applicable information has been received by the deadline of 10 working days prior to bond commission meeting.**

### **Preliminary Approval**

The goal of the preliminary approval process is to inform the members of the State Bond Commission of the need and feasibility of the financing and seek their approval to proceed with the project within defined parameters.

Applications for preliminary approvals must include a complete description of the project, including but not limited to:

A preliminary financing plan, participants, progress of the financing to date and future plans/financing schedule. An appearance by the parties involved may be required.

### **Final Approval**

Applications for final approval must be accompanied by a complete financing package, including but not limited to:

Interest rates, fees, anticipated debt service, use and investment of bond proceeds, results of public hearings, and participants. The information packet filed with the request for final approval should contain all information which a prudent business person would require to make a reasonable analysis of the financing.

If all required information is not forthcoming by the ninth working day prior to the next regularly scheduled meeting, the Director will be informed and the entity will risk being withdrawn from that month's agenda.

**NOTE:** The issuing entity should make every effort to meet with the staff of the State Bond Commission to fully explain the financing and answer any questions the staff may have regarding the financing plan. For bonds issued by State entities or public trusts having the State as beneficiary, it is recommended that the analyst-in-charge be in attendance at any meetings which would benefit their ability to understand the transaction. For bonds issued by other entities, it is recommended that the analyst-in-charge be given a thorough briefing on the project at least thirteen (13) working days prior to the meeting, if necessary.