

**Agendum
Oakland University
Board of Trustees Formal Session
June 26, 2023**

APPROVAL OF EXTENSION OF EXCLUSIVE BRANCH FINANCIAL INSTITUTION

A Recommendation

1. **Division and Department:** Finance and Administration, AVP & Controller's Office.
2. **Introduction:** Since 2013, the Michigan State University Federal Credit Union (MSUFCU) has been the University's exclusive on-campus branch financial institution. In 2013 MSUFCU was selected after thorough RFP process in an effort to maximize on-campus consumer banking opportunities, ID card functionality, and support of Oakland University (University) initiatives.

The initial ten-year MSUFCU agreement includes the establishment of an "Oakland University Credit Union" branch in the Oakland Center, on campus automated teller machines at various locations, and the creation of the trade name "Oakland University Credit Union" (OUCU). The agreement includes programs and services designed to provide financial education to the University's faculty, staff, students and alumni, sponsorship of University events, a \$1 million payment upon execution of the agreement, and \$250,000 annually for ten years, with the potential for an extension of up to five years.

The credit union has shown a commitment to the University and has invested in several university programs in addition to the support provided by this agreement. The credit union provides excellent service to the University community. It is recommended that the exclusive on-campus branch financial institution be extended for an additional 10 years through December 2033.

3. **Previous Board Action:** On June 26, 2013, the Board of Trustees (Board) authorized an exclusive ten-year on-campus branch financial intuition agreement with the Michigan State Federal Credit Union.
4. **Budget Implications:** The proposal includes royalty payments of \$350,000 annually for the ten-year period, for a total cash inflow of \$3,500,000.
5. **Educational Implications:** The proceeds from this agreement will be used to support University initiatives.
6. **Personnel Implications:** None.

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7. **University Reviews/Approvals:** This recommendation was formulated by the Associate Vice President and Controller and reviewed by the Vice President for Finance and Administration and Treasurer to the Board of Trustees, and President.

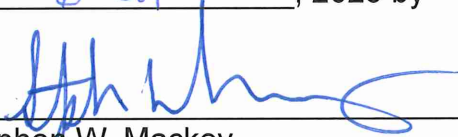
8. **Recommendation:**

RESOLVED, that the Board of Trustees authorizes the Vice President for Finance and Administration to negotiate and execute agreements and resolutions necessary to extend the agreement with the Michigan State University Federal Credit Union as Oakland University's exclusive on-campus branch financial institution for an additional 10 years through December 2033; and, be it further

RESOLVED, that all agreements and resolutions be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and University policies and regulations, and conform to legal standards and policies of the Vice President for Legal Affairs and General Counsel.

9. **Attachments:** None

Submitted to the President
on 6-21, 2023 by

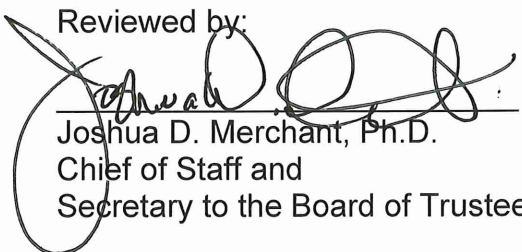


Stephen W. Mackey
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on 6/22, 2023
to the Board of Trustees for Approval



Ora Hirsch Pescovitz, M.D.
President

Reviewed by:


Joshua D. Merchant, Ph.D.
Chief of Staff and
Secretary to the Board of Trustees