

**AMENDED BOARD OF TRUSTEES CONTRACTING AND
EMPLOYMENT APPOINTMENT AUTHORITY POLICY**

A Recommendation

1. **Division and Department:** Treasurer to the Board of Trustees, Finance and Administration.
2. **Introduction:** The Board of Trustees (Board) has authorized and delegated to the President certain powers and authority that are necessary and appropriate to carry out the policies of the Board and to administer the business of Oakland University (University).

The Board delegated contracting and employment authority to the President, as set forth in the Contracting and Employment Appointment Authority Policy (Policy) which was first approved by the Board on September 9, 1981. At that time, the President was authorized to execute contracts for expenditures up to \$100,000. Board approval was required for contracts for expenditures over \$100,000. On March 4, 1993, the Board amended the Policy and increased the President's authority to \$200,000. On January 9, 2008 the Board amended the Policy and increased the President's authority to \$1,000,000; provided that all contracts over \$500,000 would be reported to the Board for informational purposes. The Board authorized these prior increases to provide the President with greater flexibility and acknowledged that the increases allowed to the University to proceed with such projects as roof repairs, high temperature hot water line replacements, and other maintenance items that would previously require Board approval.

For those same reasons, and to recognize the inflationary increase in costs over the last 16 years, the University Administration recommends that the Board amend the Policy and increase the President's authority to \$2,500,000; provided that all contracts over \$1,000,000 will be reported to the Board for informational purposes.

The University Administration also recommends that the Board amend the Policy for the lease of University facilities to increase the number of years from one to five. This will allow the University to efficiently enter into mutually beneficial space use agreements. These lease agreements could relate to research, academic programs, community partnerships, etc. All agreements for a period of more than one year will be reported to the Board for informational purposes.

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The proposed changes are consistent with the University's ongoing efforts of continuous improvement which includes the review of its policies, procedures, and practices to identify opportunities to implement efficient business practices.

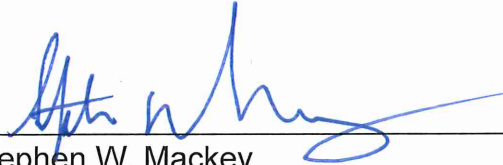
The President's authority has always been contingent upon compliance with the budgetary and appropriation approvals established by the Board and in compliance with all legal requirements. The proposed amendment does not change any of these preconditions. In addition, the Policy's requirement that all contracts must be in compliance with the law, University policies, and conform to the legal standards of the General Council, remain unchanged.

The University administration is also recommending the deletion of outdated language and an increase in the value of property that the University may dispose of from \$20,000 to \$100,000.

3. **Previous Board Action:** The Policy was approved by the Board on September 9, 1981, amended on; March 14, 1990, March 4, 1993, October 5, 1995, December 4, 1997, and January 9, 2008.
4. **Budget Implications:** None. Existing University financial approvals and monitoring policies, procedures, and controls will continue.
5. **Educational Implications:** None.
6. **Personnel Implications:** None. Existing personnel policies, procedures, and controls will continue.
7. **University Reviews/Approvals:** This recommendation was formulated by the Associate Vice President and Controller, the Vice President for Finance and Administration, and the President.
8. **Recommendation:**
RESOLVED, that the Board of Trustees approves the attached amended Contracting and Employment Appointment Authority Policy.
9. **Attachments:**
 - A. Amended Contracting and Employment Appointment Authority Policy (redline version showing proposed changes).
 - B. Amended Contracting and Employment Appointment Authority Policy (clean version).

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Submitted to the President
on 1/29, 2024 by



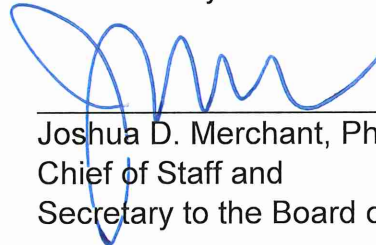
Stephen W. Mackey
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on 1/29, 2024
to the Board of Trustees for Approval by



Ora Hirsch Pescovitz, M.D.
President

Reviewed by



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

CONTRACTING AND EMPLOYMENT APPOINTMENT AUTHORITY POLICY

Approved by the Board of Trustees on December 4, 1997
Amended by the Board of Trustees on January 9, 2008
Amended by the Board of Trustees on February 2, 2024

WHEREAS, the Board of Trustees (Board) of Oakland University (University) wishes and intends to authorize and delegate to the President of the University and other administrators certain powers and authority as may be necessary and appropriate to carry out the policies of the Board and to administer the business of the University in accordance with such policies and directives as may be promulgated from time to time by the Board; and

WHEREAS, the Board wishes and intends by this resolution to delegate to the President of the University and other administrators full power and authority to carry out certain administrative functions of the University while retaining unto itself all legislative and discretionary powers which are not subject to delegation under application of law; and

WHEREAS, the contracting authority set forth below is conditioned upon compliance with the budgetary and appropriation approvals established by the Board, and compliance with all legal requirements; and

WHEREAS, the following resolution shall supersede the Board resolution dated December 4, 1997 regarding contracting and employment authority; now, therefore, be it

RESOLVED:

I. Contracting Officers

The President shall be the principal contracting officer for the University. The President may delegate this authority to designees when the delegation is specifically described and documented in writing to the Office of the Secretary to the Board. No person may contract pursuant to this authority except as prescribed herein by specific designation or delegation. The Board may in specific instances designate additional contracting officers.

II. Purchase Contracts

A. All contracts for expenditures that aggregate more than \$1,000,000 \$2,500,000 after review by legal counsel must be approved by the Board prior to execution by the President or the President's designee except as provided in II.C.

- B. Contracts for expenditures that aggregate ~~\$1,000,000~~ \$2,500,000 or less may be executed by the President or the President's designee without Board approval. If any contract under this provision alters or is a departure from a Board approved policy, practice or procedure, or is in conflict with a policy established by the Board, such contract shall be subject to prior Board approval before execution. All contracts for expenditures under this provision that aggregate ~~\$500,000~~ \$1,000,000 or more shall be reported to the Board for informational purposes.
- C. In the event of an emergency where it is necessary to conserve University assets, or to protect the interests of the University, or to address the health and safety concerns of the campus population, and there is no regularly scheduled meeting of the Board prior to the time such agreement must be executed, then the President is authorized to contract for the expenditure of funds for goods and services without prior approval of the Board, provided such expenditures are in accordance with the policies and practices established by the Board. Any expenditure or contract entered into pursuant to this authority shall be reported to the Board at its next regular meeting for ratification and any necessary amendment of the budget appropriation.
- D. Licensing and lease agreements for the purchase or use by the University of goods, services, or personal property rights are considered contracts under this section.
- E. For capital improvement projects that aggregate ~~\$1,000,000~~ \$2,500,000 or less, the President or designee has the authority to execute all contracts. All capital improvement projects under this provision that aggregate ~~\$500,000~~ \$1,000,000 or more shall be reported to the Board for informational purposes.

For capital improvement projects that aggregate more than ~~\$1,000,000~~ \$2,500,000, Board authorization shall be obtained at the conceptual stage of the project. At that time, the administration shall present a clear description of the scope of the project, the objectives, and the process to be followed for selection of a design, the project schedule, and budget. If the Board approves the project, the President then shall have authority to carry it through to completion within the approved scope and budget, ~~except that in the case of projects of \$2,000,000 or more, specific Board authorization is required to execute a design contract.~~

~~In addition, f~~For any capital improvement project that has major aesthetic considerations, the administration shall obtain Board approval of the schematic design.

III. Employment Appointments and Contracts

- A. The authority for the approval of positions and appointments, subject to compliance with University policies, procedures, relevant employment contracts and budget authorizations shall be as set forth below. It is

further provided that when such positions and appointments result in a net increase in the total number of full-time positions, the Board shall be notified.

1.
 - (a) Academic dean positions and appointments, academic administrator appointments, and full-time non-visiting faculty appointments including promotions, job security, and tenure actions for all of the above are subject to the recommendation of the President and must be approved by the Board. When it is in the interest of the University, the President or the President's designee may make an offer of employment prior to obtaining Board approval which offer shall be explicitly contingent upon Board action.
 - (b) The establishment of all academic administrator positions (except full deans as provided in III.A.1. (a) above), faculty and instructional positions and research positions shall be made by the President or the President's designee.
 - (c) The appointment of full-time visiting faculty, part-time faculty, and Continuing Education instructional staff shall be made by the [Executive](#) Vice President for Academic Affairs or a designee. Such appointments shall be made under guidelines established by the President.
 2.
 - (a) Vice presidential positions and reclassifications and appointees to these positions, are subject to the recommendation of the President and must be approved by the Board.
 - (b) All administrative-professional and non-academic positions and reclassifications at or equivalent to Administrative-Professional classification level "U" (or its equivalent classification) or above are subject to the recommendation of the President and must be approved by the Board. Appointment of personnel to these positions shall be reported to the Board.
 3. The establishment and appointment of all other positions and reclassifications not provided for in III.A.1. and 2. above shall be made by the President or the President's designee.
- B. Contracts for employment of faculty and staff, subject to compliance with University policies, procedures, relevant employment contracts and budget authorizations and guidelines established by the President shall be executed as follows:
1. The [Executive](#) Vice President for Academic Affairs or a designee shall execute employment contracts for academic deans, academic

administrators and all faculty and instructional positions.

2. The President, Vice President for Finance and Administration, or their designee, shall execute employment contracts for all other employees not specified under paragraph III.B.1. above.

IV. Collective Bargaining Contracts

Collective Bargaining contracts with officially recognized bargaining unit groups are to be signed by the Vice President for Finance and Administration, his/her designee, and the University's chief negotiator (if other than the Vice President for Finance and Administration's designee), subsequent to approval of such contracts by the President and the Board.

V. Contracts for University Facilities and Services

- A. Contracts for the lease of University facilities, other than for personal residency, that are for a period of more than ~~one year~~ five years, are to be executed by the President or the President's designee, subsequent to approval by the Board.
- B. Contracts for the lease of University facilities for a period ~~one year~~ five years or less and rental agreements for residential purposes are to be executed by the President or the President's designee.

VI. Contract/Grant Agreements

Contract/grant agreements relating to educational, research, public service and student financial aid activities of the University are to be executed by the President or the President's designee. Contract/grant agreements which require the actual commitment of University funds are subject to the monetary limitation approval requirements set forth in Article II. Contract/grant agreements under this provision shall be reported to the Board at the earliest meeting date possible.

VII. Contracts for the Sale or Disposal of University Assets

- A. Subject to the specific prior approval by the Board, compliance with University procedures and policy and review by legal counsel, the President or the President's designee shall have authority to execute agreements for the sale of real property titled to the University.
- ~~B. The President, Vice President for Finance and Administration or the Treasurer, when in the interest of the University, shall have the authority to sell, assign or endorse for transfer any certificates representing stocks, bonds or other securities received in kind and held or registered in the name of Oakland University. in an amount not exceeding \$50,000 in any one transaction or \$200,000 in any monthly period. In the event of an emergency and when it is in the interest of the University, the President, Vice President for Finance and Administration or the Treasurer shall have~~

- ~~the authority to sell, assign or endorse for transfer any certificates representing stocks, bonds or other securities received in kind and held or registered in the name of Oakland University in an amount exceeding~~
- B. ~~\$50,000, and up to \$250,000, in any one transaction with the prior approval of the Chair of the Board or in the absence of the Chair, the Vice Chair of the Board. The total amount of the transactions approved by the Chair and Vice Chair of the Board under this provision shall not exceed \$500,000 in any monthly period. All other transactions exceeding the limits set forth above must have prior Board approval. All such actions authorized above are to be reported to the Board at the earliest meeting date possible.~~
- C. The President or Vice President for Finance and Administration shall have the authority to sell or dispose of University surplus goods and equipment of less than ~~\$20,000~~ \$100,000 in appraised value for each item in accordance with University policies and procedures when such action is to the benefit of Oakland University.
- D. The President or the Vice President for Finance and Administration shall have the authority to sell or dispose of University surplus objects of art, antiques or collectors' items of less than ~~\$20,000~~ \$100,000 value for each item subject to prior approval of the Board or an ad hoc committee specially appointed by the Board to dispose of such property in the interest of the University.

~~VIII. Meadow Brook Performing Arts Company Contracts~~

~~Contracts with the Meadow Brook Performing Arts Company, including any employment contracts, are subject to the provisions of this policy.~~

~~IX.VIII. Conformity to Law~~

All University contracts must be in compliance with the law and with University policies and regulations and shall conform to the legal standards and requirements of the University General Counsel.

[Editor's note: This policy was approved by the Board on September 9, 1981, and amended on March 14, 1990 and also on March 4, 1993. On October 5, 1995, the Board approved an amendment to the policy, authorizing a new section (II.E.) which governs Capital Improvement Projects. On December 4, 1997, section II, B and C, were revised.]

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