

**APPROVED**

JUL 16 2019

MICHIGAN STATE  
ADMINISTRATIVE BOARD

**State Administrative Board**

**Resolution 2019-1**

**Reducing the Monetary Threshold for Certain Contract Approvals, Readopting the Monetary Threshold for Grant Approvals, and Rescinding Resolution 2018-1**

Whereas, the State Administrative Board (the "Board") exercises general supervisory control over the functions and activities of all administrative departments, boards, commissioners, and officers of this state, and of all state institutions pursuant to Section 3 of 1921 PA 2, MCL 17.3;

Whereas, Section 2 of 1921 PA 2, MCL 17.2 authorizes the Board to adopt rules governing its procedures and providing for the general conduct of its business and affairs;

Whereas, the Board, exercising its power to adopt rules, adopted Resolution 2018-1 increasing the monetary threshold for all grants for materials and services requiring the Board's approval prior to their execution by the state, to \$500,000 or more for initial grants and grant amendments, and readopting the monetary threshold for all contracts for the purchase of materials and services requiring the Board's approval prior to their execution by the state of \$500,000 or more for initial contracts and contract amendments.

NOW THEREFORE, the Board recognizing its duty to monitor state contract and grant expenditures and promote the efficiency of state government, resolves that:

1. Resolution 2018-1 is rescinded in its entirety;
2. Except as provided in Paragraphs 3 and 6, all contracts and contract amendments for the purchase of materials and services of \$250,000 or more, regardless of the source of funding or duration, require prior approval of the Board;
3. Contracts and contract amendments for the purchase of materials and services procured through the Michigan Supplier Community Program ("MiSC"), regardless of the source of funding or duration, require prior approval of the Board if \$500,000 or more;
4. Except as provided in Paragraphs 5 and 6, all grants and grant amendments for materials and services of \$500,000 or more, regardless of the source of funding or duration, require approval of the Board prior to their execution by the State;
5. All legislatively authorized grants are exempt from Board approval; and

6. Prior approval by the Board is not required for contracts for emergency purchases entered into in cases involving threats to public health or safety, emergency repairs or construction, or in response to a declared state of emergency or state of disaster under the Emergency Management Act, 1976 PA 390, MCL 30.401 to 30.421; 1945 PA 301, MCL 10.31 to 10.33; or 1982 PA 191, MCL 10.81 to 10.89. See the Michigan Procurement Policy Manual (MPPM), Chapter 5, Section 5.7.7. All emergency contracts must be reported to the Board within 30 days after execution.

This Resolution is effective July 14, 2019.