

**APPROVED**

JAN 24 2017

MICHIGAN STATE  
ADMINISTRATIVE BOARD

**STATE ADMINISTRATIVE BOARD  
RESOLUTION 2017-1  
INCREASING THE THRESHOLD FOR CONTRACTS AND  
READOPTING THE THRESHOLD FOR GRANTS  
AND  
RESCINDING RESOLUTION 2011-1**

WHEREAS, the State Administrative Board (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 1921 PA 2, MCL 17.3;

WHEREAS, on August 30, 2011 the Board adopted Resolution 2011-1 increasing the monetary threshold, for all contracts and grants for the purchase of materials or services requiring the Board's approval prior to their execution by the State, to \$250,000 or more for initial contracts and grants and \$125,000 or more for contract and grant amendments; and

WHEREAS, recognizing the Board's duty to promote efficiency of State government the Board resolves as follows:

1. Resolution 2011-1 is rescinded;
2. For contracts for materials and services, approval thresholds of \$500,000 or more for the initial contract and \$500,000 or more for contract amendments, regardless of the source of funding or duration, with the exception of emergency financial service contracts, and/or any contracts resulting from a financial emergency declared under the Local Financial Stability and Choice Act, 2012 PA 436, MCL 141.1541 to 141.1575, the thresholds will remain \$250,000 for new contracts and \$125,000 for contract amendments,
3. For State grants, approval thresholds of \$250,000 or more for the initial grant and \$125,000 or more for grant amendments, regardless of the source of funding or duration;
4. Excepts from Board approval legislatively authorized grants;
5. Excepts from Board approval contracts for materials or services approved by the Governor; and

6. Excepts from Board approval emergency contracts and grants made pursuant to the Emergency Management Act, 1976 PA 390, MCL 30.401 to 30.421, entered in cases involving public health or safety. All emergency contracts and grants of \$250,000 or more, must be reported to the Board within 30 days of the grant or contract date.

This Resolution is effective January 24, 2017.