



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.

APR 24 2018

MICHIGAN STATE  
ADMINISTRATIVE BOARD

**STATE ADMINISTRATIVE BOARD  
RESOLUTION 2018-1  
INCREASING THE THRESHOLD FOR GRANTS AND READOPTING  
THE THRESHOLD FOR CONTRACTS  
AND  
RESCINDING RESOLUTION 2017-1**

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 January 24, 2017 the Board adopted Resolution 2017-1 increasing the monetary threshold, for all contracts for the purchase of materials or services requiring the Board's approval prior to their execution by the State, to \$500,000 or more for initial contracts and amendments, and readopting the monetary threshold for all grants for the purchase of material or services requiring the Board's approval prior to their execution by the State of \$250,000 for initial grants and \$125,000 for grant amendments; and

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

1. Resolution 2017-1 is rescinded;
2. For contracts and grants 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. Excepts from Board approval legislatively authorized grants;
4. Excepts from Board approval contracts for materials or services approved by the Governor; and

5. 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 April 24, 2018.

**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.

**STATE ADMINISTRATIVE BOARD  
RESOLUTION 2011-1  
INCREASING THE THRESHOLD FOR CONTRACTS AND GRANTS  
AND  
RESCINDING RESOLUTION 2003-1**

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 March 4, 2003 the Board adopted Resolution 2003-1 reducing 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 \$25,000 or more; and

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

1. Resolution 2003-1 is rescinded;
2. For contracts for materials and services adopts approval thresholds of \$250,000 or more for the initial contract and \$125,000 or more for contract amendments, regardless of the source of funding or duration;
3. For State grants adopts 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 and services approved by the Governor; and
6. Excepts from Board approval emergency contracts and grants 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 Aug. 30, 2011.

# APPROVED

March 4, 2003

Michigan State  
Administrative Board

## STATE ADMINISTRATIVE BOARD

### RESOLUTION 2003-1

#### REDUCE THRESHOLD FOR CONTRACT APPROVAL

WHEREAS, under Section 3 of 1921 PA 2, MCL 17.3, 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;

WHEREAS, under Section 2 of 1921 PA 2, MCL 17.2, the Board may adopt rules governing its procedures and providing for the general conduct of its business and affairs;

WHEREAS, exercising its power to adopt rules, the Board adopted a resolution on February 15, 1983 and amended that resolution on May 2, 1995 to require that all contracts and grants of \$250,000 or more for the purchase of materials or services, and all contract and grant amendments of \$125,000 or more, be approved by the Board prior to execution, unless specifically approved by the Governor;

WHEREAS, the current state budget crisis increases the need for the Board to monitor state contract and grant expenditures and reinforces the Board's duty to promote the efficiency of State Government;

NOW THEREFORE, the State Administrative Board reduces the threshold for State contracts and grants from \$250,000 to \$25,000 and the threshold for State contract and grant amendments from \$125,000 to \$25,000 regardless of the source of funding or duration. All State contracts and grants of \$25,000 or more, except statutory State grants, and contract and grant amendments of \$25,000 or more, shall be approved by the Board prior to execution. Prior approval by the Board is not required in emergency cases involving threats to public health or safety. All grants and contracts of \$25,000 or more and contract and grant amendments of \$25,000 or more executed in the event of an emergency shall be reported to the Board as soon as practicable.

This Resolution is effective March 25, 2003.



2. READING OF MINUTES OF PRECEDING MEETING AND APPROVAL THEREOF:

Mr. Young moved that the minutes of the November 19, 1996 regular meeting be considered read and approved. Supported by Mr. Dore, the motion was unanimously adopted.

3. HEARING OF CITIZENS ON MATTERS FALLING UNDER JURISDICTION OF THE BOARD:

None

4. COMMUNICATIONS:

None

5. UNFINISHED BUSINESS:

None

6. NEW BUSINESS:

Mark Murray, Director of the Department of Management and Budget, requested that the Board's resolution of October 15, 1996, requiring Administrative Board approval for all contracts of \$50,000 to \$250,000 and contract amendments of \$50,000 to \$125,000, be temporarily suspended until further court action concerning the Durant case is taken. Ms. McKennon moved the Board approve this request. Mr. Young supported the motion and it was unanimously adopted.

*This appears to be backwards since the threshold was lowered to \$50,000 on 10-15-1996.*

AMENDS THRESHOLD FOR STATE ADMINISTRATIVE BOARD  
CONTRACT APPROVAL

WHEREAS pursuant to the provisions of Act No. 2 of the Public Acts of 1921, the State Administrative Board was created to promote efficiency of State Government; and

WHEREAS pursuant to the powers and duties vested by law to the State Administrative Board, the Board in the exercising of its powers and duties conferred and imposed by virtue of the Act creating it, adopted rules and regulations which provided for all awarding contracts for professional services and construction and making changes thereto in the most efficient and expedient manner; and

WHEREAS the Board adopted a resolution on May 2, 1995 which resolved that all state contracts of \$250,000 or more for the purchase of materials or services be approved by the Board prior to execution, unless specifically approved by the Governor; and

WHEREAS the need to monitor state contract and grant expenditures has temporarily increased and recognizing the Board's duty to promote the efficiency of State Government;

NOW THEREFORE BE IT RESOLVED that the State Administrative Board shall temporarily change the threshold for state contracts and grants from \$250,000 to \$50,000 and the threshold for state contract and grant amendments to \$50,000 regardless of the source of funding or duration. Unless grants are statutory state grants to other units of government or unless contracts are specifically approved by the Governor, all State contracts and grants of \$50,000 or more, and contract or grant amendments of \$50,000 or more, for the purchase of materials or services shall be approved by the State Administrative Board prior to execution. Provided, however, that prior approval is not required in emergency cases involving public health or safety. All grants and contracts of \$50,000 or more executed in response to such emergency shall be reported to the Board as soon as practicable. Provided, however, in addition that subsequent action by the State Administrative Board may exempt certain classes of contract and grant expenditures in amounts between \$50,000 and \$250,000 from prior approval based on recommendations of the Department of Management and Budget. All contracts and grants executed in such exempted classes shall be reported to the Board as soon as practicable. This temporary adjustment in the threshold shall last until such time as the director of the Department of Management and Budget notifies the Board that the temporary need for enhanced monitoring of state contract and grant expenditures has ended.

Upon approval by the State Administrative Board, this Resolution shall be effective as of October 15, 1996.

**APPROVED**

MAY 02 1995

MICHIGAN STATE  
ADMINISTRATIVE BOARD

**AMENDS THRESHOLD FOR STATE ADMINISTRATIVE BOARD  
CONTRACT APPROVAL**

WHEREAS pursuant to the provisions of Act No. 2 of the Public Acts of 1921, the State Administrative Board was created to promote efficiency of State Government; and

WHEREAS pursuant to the powers and duties vested by law to the State Administrative Board, the Board in the exercising of its powers and duties conferred and imposed by virtue of the Act creating it, adopted rules and regulations which provided for all awarding contracts for professional services and construction and making changes thereto in the most efficient and expedient manner; and

WHEREAS the Board adopted a resolution on February 15, 1983 which resolved that all state contracts of \$100,000 or more for the purchase of materials or services be approved by the Board prior to execution, unless specifically approved by the Governor; and

WHEREAS costs have increased significantly since February 1983, causing many more contracts to exceed \$100,000 and recognizing the Board's duty to promote the efficiency of State Government;

NOW THEREFORE BE IT RESOLVED that the State Administrative Board change the threshold for state contracts and grants from \$100,000 to \$250,000 and the threshold for state contract and grant amendments to \$125,000 regardless of the source of funding or duration. Unless grants are statutory state grants to other units of government or unless contracts are specifically approved by the Governor, all State contracts and grants of \$250,000 or more, and contract or grant amendments of \$125,000 or more, for the purchase of materials or services shall be approved by the State Administrative Board prior to execution. Provided, however, that prior approval is not required in emergency cases involving public health or safety. All grants and contracts of \$250,000 or more executed in response to such emergency shall be reported to the Board as soon as practicable.

Upon approval by the State Administrative Board, this Resolution shall be effective as of May 1, 1995.

2-15-1983  
Approved  
by SAB

EXCERPT from February 15, 1983 State Administrative Board meeting:

"6. UNFINISHED BUSINESS:

Recalling an item of unfinished business relating to Board approval of all State contracts in an amount exceeding \$100,000, Mr. Kelley presented the following Resolution:

'Be it resolved that unless specifically approved by the Governor, all State contracts involving \$100,000 or more for the purchase of materials or services be approved by the State Administrative Board prior to execution. Provided, however, that prior approval is not required in emergency cases involving public health or safety. All contracts of \$100,000 or more executed in response to such emergency shall be reported to the Board as soon as practicable.'

Mr. Kelley then moved that the foregoing Resolution be adopted by the Board. Supported by Mr. Bowman, the motion carried."