

MICHIGAN STATE UNIVERSITY

December 18, 2020


APPROVED

DECEMBER 18, 2020

BOARD OF TRUSTEES
MICHIGAN STATE UNIVERSITY

MEMORANDUM

To: Committee on Budget and Finance

From: Samuel L. Stanley, Jr., M.D. 
President

Subject: Henry Ford Health System Master Affiliation Agreement

RECOMMENDATION

The Trustee Committee on Budget and Finance recommends that the Board of Trustees authorize the Administration to (i) enter into a long-term affiliation with Henry Ford Health System, (ii) form a new non-profit corporation with Henry Ford Health System to further the affiliation, and (iii) appoint individuals to act as the University's representatives to the corporation and to serve as board members of the corporation.

RESOLUTION

BE IT RESOLVED, that the Board of Trustees of Michigan State University hereby authorizes the Administration to negotiate and execute agreements and ancillary documents for the purpose of entering into a long-term affiliation with Henry Ford Health System, upon such terms and conditions as may be acceptable to the President; and

BE IT FURTHER RESOLVED, that the Board of Trustees hereby authorizes the Administration to negotiate and execute agreements and ancillary documents and take all action necessary to form a new non-profit corporation with Henry Ford Health System to carry out the purposes of the affiliation; and

BE IT FURTHER RESOLVED, that the Board of Trustees hereby authorizes the President to make the initial appointments of individuals to act on the University's behalf as a member of the corporation and to represent the University on the new corporation's board of directors.

BACKGROUND

In June, the University entered into a Letter of Intent with Henry Ford Health System to form a broad affiliation encompassing research, education, and clinical activities. Both the University and Henry Ford Health System are working diligently to develop a Master Affiliation Agreement



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that encompasses these activities as well as to develop bylaws for a new corporation to be used to facilitate the affiliation. The Master Affiliation Agreement will have a term of thirty years and will set forth in detail the relationship of the University and Henry Ford Health System around coordination and attribution of research, the development of a research building, training opportunities for students, and clinical opportunities for both parties. The Master Affiliation Agreement will also lay out a funds flow, keeping in mind the best interests of the University and responsible stewardship of University resources. Updates on the affiliation will be communicated to the Board on a quarterly basis, in addition to any other reporting requirements under the governing documents of the corporation.

cc: Board of Trustees, T. Woodruff, M. Woo, N. Beauchamp, B. Quinn, N. Barr, M. Zeig