

**DISCLOSURES AS TO GRANTS AND CONTRACTS**  
**Act 90 of 1986**

AN ACT to require disclosures by colleges regarding certain grants and contracts; to impose duties on the department of management and budget and the attorney general; and to prescribe penalties.

**History:** 1986, Act 90, Imd. Eff. May 1, 1986.

*The People of the State of Michigan enact:*

**390.1231 Definitions.**

Sec. 1. As used in this act:

- (a) "College" means a public institution of higher education in this state.
- (b) "Contract" means an agreement between a college and a foreign entity for the acquisition, by purchase, lease, or barter, of property or services for the direct benefit or use of either of the parties.
- (c) "Department" means the department of management and budget.
- (d) "Fiscal quarter" means a 3-month period ending on January 31, April 30, July 31, or October 31.
- (e) "Foreign entity" means a nonresident alien, a corporation, foundation, or association whose principal place of business is outside of the United States, a foreign government, an agency or subdivision of a foreign government, or an agent registered under the foreign agent's registration act, 22 U.S.C. 611 to 621, when acting in that capacity.
- (f) "Grant" means a gift or donation of money or property, or any combination of these, which in any 1 year exceeds \$100,000.00 made by a foreign entity.

**History:** 1986, Act 90, Imd. Eff. May 1, 1986.

**390.1232 Notice of grant or contract; contents; new public record; disclosures as public records.**

Sec. 2. (1) Every college which during any calendar year receives a grant, or enters into a contract, the aggregate value of which exceeds \$100,000.00, shall notify the department's office of revenue and tax analysis in writing not later than 20 days after the close of the fiscal quarter in which the grant was received or the contract entered into.

(2) Each notification required by this act shall provide all of the following information:

- (a) The name and address of the donor of the grant or the parties to the contract.
- (b) The amount and date of the contract.
- (c) If a grant or contract is conditional, matching, or designated for a specific purpose, a full description of the condition, matching condition, or designation.
- (d) The subject of the grant or contract.
- (e) The name, title, and qualifications of any person or group whom the grant is explicitly intended to benefit.

(3) This section does not require a college to create a new public record if all of the information required by subsection (2) is already contained in an existing record which can be provided to the department's office of revenue and tax analysis.

(4) All disclosures provided pursuant to this act shall be public records subject to the freedom of information act, Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

**History:** 1986, Act 90, Imd. Eff. May 1, 1986.

**390.1233 Rules; enforcement of act; civil fine.**

Sec. 3. (1) The department shall promulgate rules to implement this act pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws.

(2) The attorney general shall have the authority to enforce the provisions of this act by bringing an action in a court of competent jurisdiction.

(3) If a college fails to report any grant or contract subject to this act, the college shall be assessed a civil fine in an amount equal to 5% of the grant or contract not reported. The fine shall be credited to the general fund of the state.

**History:** 1986, Act 90, Imd. Eff. May 1, 1986.