

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: E
DATE: June 27, 2017

**RECOMMENDATION REGARDING DISTRIBUTION OF PROPERTY AND/OR
ASSETS UPON DISSOLUTION OF EDUCATION ACHIEVEMENT AUTHORITY**

ACTION REQUESTED

It is recommended that the Eastern Michigan University Board of Regents (“the University”) cede its interest under Section 8.05 (b) of the *Interlocal Agreement between the Board of Regents of Eastern Michigan University and the School District for the City of Detroit creating the Education Achievement Authority* (“the Agreement”) to any assets and/or property owned by the Authority upon termination of the Agreement to the Detroit Public Schools Community District (“DPSCD”), the successor in interest to the School District for the City of Detroit.

STAFF SUMMARY

The University withdrew from the Agreement effective June 30, 2017. Section 8.05 (b) provides that upon termination of the Agreement, after the Education Achievement Authority of Michigan’s (“EAA”) debts, liabilities, obligations to its creditors and all other expenses are paid, the property remaining of the EAA will be distributed to the School District for the City of Detroit and the University. In light of the fact that when the parties entered into the Interlocal Agreement, and thereafter, the University did not contribute property or financial assets to the EAA and that it is the desire of the University that remaining property and assets, if any, should be used to benefit the children of DPSCD, the University cedes its interest in EAA property and/or assets remaining after the dissolution of the EAA to DPSCD.

FISCAL IMPLICATIONS

The fiscal implications are uncertain at this time.

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.

[Redacted Signature]

University Executive Officer
Gloria A. Hage
General Counsel

6.15.17

Date