

**SUBPART 10-5
CLAIMS AND LITIGATION POLICY**

Sec. 10-501. Purpose of the Claims and Litigation Policy. The University, in pursuing its mission and purpose, will play an increasingly significant role in modern society that becomes evermore complex. Since people and organizations are more inclined to resolve disputes through claims and legal action, it is quite likely that the University will be a party to claims and legal actions more often in the future. Because of the Board's responsibility under the Michigan Constitution for operation and protection of the University, it is very important that the Board be well represented in legal matters and kept informed of all litigation in which the University is a party.

Sec. 10-502. Engagement of Special Legal Counsel. The Board authorizes the President to engage special legal counsel to represent the University in claims and legal matters. He/She may consult with the General Counsel in engaging such legal counsel.

Sec. 10-503. Settlements. The President, upon consultation with the General Counsel, where appropriate, shall be authorized to enter into settlement arrangements of individual claims and litigation matters in amounts not exceeding \$100,000. Settlements of lawsuits, employment and labor relation matters, or actions between the University and government agencies, in excess of \$100,000 shall first be approved by the Board.

Sec. 10-504. Appeals. The President shall be authorized to appeal any adverse decision to a higher court or agency, after consultation with legal counsel handling the matter. The President shall promptly report any such appeal involving \$50,000 or more to the Board, and the Board may take whatever additional action, if any, the Board deems appropriate.

Sec. 10-505. Commencement of Proceedings. The President, upon consultation with General Counsel, where deemed appropriate, is authorized to:

- File Amicus Curiae briefs, on behalf of the University, where important questions of law affecting the University are involved
- File actions to enforce contracts, collect damages or monies owed to the University
- File actions and/or administrative proceedings to protect rights of the University including seeking appropriate equitable relief
- Take other appropriate legal actions as authorized by other Board authorizations

Sec. 10-506. Reports to the Board. In order to keep the Board informed on claims and litigation matters, the General Counsel shall report to the Board on a quarterly basis the status of all claims and litigation in which the Board, the University, or its employees acting in their official capacities may be a party. These quarterly status reports shall include information on the nature of the legal action or claim, possible court action, and any proposed settlement offers.

Claims and legal action involving more than \$50,000 in potential damages, or more than \$50,000 in potential liability arising from employment matters or actions between the University and government agencies, shall be brought to the Board's attention as soon as practical after the President learns of them.

Prior Board Action:

October 13, 1995.

Entire Subpart 10-5 included in October 19, 2001 Codification, Phase I.

Entire Subpart 10-5 included in October 22, 2004 Codification, Phase II.

Sec. 10-507. Conflict Waivers in Legal Matters.

- (1) The Board reserves to itself the responsibility to consider and dispose of any request for waiver of a conflict of interest that is made by an attorney or law firm, where such request is made for the purpose of allowing the attorney or law firm to represent a client in a litigation matter.
- (2) The Board delegates to the President the responsibility to consider and dispose of any request for waiver of a conflict of interest that is made by an attorney or law firm, where such request is made for the purpose of allowing the attorney or law firm to represent a client in a non-litigation matter. The President shall notify the Board Chair prior to granting a waiver of a conflict of interest pursuant to the authority delegated in this subsection (2).
- (3) As used in this Sec. 10-507, the term "litigation matter" means a legal matter involving any pending or threatened action, arbitration, cause of action, claim, counterclaim, demand, dispute, grievance, injunction, investigation, mediation, obligation, stay, suit or other proceeding.
- (4) As used in this Sec. 10-507, the term "non-litigation matter" means a legal matter other than a litigation matter.

Prior Board Action:

December 13, 2013.