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**EXECUTIVE MANAGEMENT OFFER LETTER TEMPLATE**

Last updated: February 28, 2023

Note:

1. Advisory text is in italics.
2. Prior to making an offer, send the draft letter to your Office of Faculty and Academic Staff Affairs liaison for review.
3. If the employee is a current employee, additional text may need to be added (e.g., retirement credit, vacation/sick time payout).

Date

Name

Address

**Sent via email**

Dear \_\_\_\_\_\_\_:

I am pleased to offer you the appointment of \_\_\_\_\_\_\_\_\_ at Michigan State University *(Note: If this is a position that requires* [*Board of Trustees approval*](https://hr.msu.edu/ua/hiring/faculty-academic-staff/exec-mgt-principles.html)*, use this statement instead:* I am pleased to recommend to the Michigan State University Board of Trustees, your appointment as \_\_\_\_\_\_\_\_\_\_\_ at Michigan State University*).*

**POSITION INFORMATION**

This appointment is effective on \_\_\_\_\_ at an annual (12 month) salary rate of \_\_\_\_\_\_\_. You will be eligible for an annual merit increase on October 1 of each year in accordance with university merit guidelines.

The \_\_\_\_\_\_\_ position is an Executive Management position, which serves at the pleasure of the \_\_\_\_\_\_\_\_\_*(enter title of administrative superior).* While the attached position description outlines the duties and responsibilities of the position, I highlight a few key aspects of the position. *(Add a few key pieces of the responsibilities of the position here such as the following: You serve as a member of the \_\_\_\_\_\_\_\_\_\_leadership team in…. You will also serve as a critical leadership partner with unit leaders across the University on …..).* Your performance will be evaluated on an annual basis. Youwill report to me as \_\_\_\_\_\_\_\_\_\_\_\_ (enter title of administrative superior) and I look forward to the work that is ahead.

Please note that this appointment is one of approximately 120 executive management positions at MSU. Executive management positions carry an at-will status which means you may be removed from this administrative position at any time without notice or cause.

**EMPLOYMENT BENEFITS**

Michigan State University offers a variety of benefits. The full listing of these benefits is provided in the Executive Management Benefits Summary attached to this letter. Among the most important are a retirement contribution program, medical, dental and life coverages. You may be eligible to participate in MSU’s benefits plans, on the terms and subject to the conditions in the respective plans, as they may change from time to time. You must enroll in benefit programs within 30 (thirty) days of your appointment beginning date.

I wish to call specific attention to the following benefits. Note, however, the terms and conditions of these benefits (and other University benefits) are subject to change at any time.

* Vacation entitlement: Executive Managers are eligible for forty-eight (48) vacation days biennially, on a fiscal year basis. Vacation days are available prospectively; they are non-accruable beyond the biennial fiscal year period. Vacation allowances are granted on July 1, of odd-numbered years. Proportional allowances are granted to individuals appointed during the biennial period. Your proportional allowance through June 30, 2023, is \_\_\_\_\_ days.
* Medical: Health care coverage is available under a Preferred Provider Organization (PPO), Health Maintenance Organization (HMO) or a High Deductible Health Plan (HDHP). Currently MSU offers coverage through the following plans:
  + Community Blue—PPO
  + Blue Care Network—HMO
  + Consumer Driven Health Plan/Health Savings Account – CDHP/HSA
* Medical/sick leave: Up to six months of paid leave is available if health problems prevent you from working. Medical leave is non-accruable with no terminal payoff.
* Retirement contributions: The University 403(b) base retirement plan consists of an employee contribution of 5% of your applicable salary and a University matching contribution of 10% of your applicable salary - an immediate two for one match of your investment - for a total contribution of 15%. Your 5% contribution is made on a tax-deferred basis. Since contributions are fully and immediately vested, you have full ownership of your account from day one.
* Retirement eligibility: To be considered a retiree from Michigan State University, an individual must have attained one of the following: 1) 15 years of service in an executive management position; 2) at least age 62 with a minimum of 15 years of University service; 3) 25 years of service at any age. If the condition of #1, above is met, the individual retains eligibility for Michigan State University retiree status if assigned subsequently to a non-executive management position. Executive Managers appointed on or after July 1, 2010 are not eligible for a University contribution to health care benefits upon retirement. However, retiree health coverage is available to purchase through the University.
* Course fee courtesy: Upon your employment, dependent children and spouses admitted to Michigan State University to pursue a curriculum leading to a first baccalaureate degree (maximum of first 120 credits attempted) or to a certificate in the Agricultural Technology Program are entitled to Course Fee Courtesy, providing credit of an amount equal to one-half of the applicable Michigan resident on-campus undergraduate course tuition fee. Finally, if you retire from MSU, this benefit is also available to you during your retirement.

Please see the enclosed Executive Management Benefits Summary. Additional information about MSU’s benefits plans can be found at the following links:

<https://hr.msu.edu/benefits/>

<https://hr.msu.edu/benefits/summaries/index.html>

Perhaps most useful in learning more about your medical, dental, and prescription drug coverage are the 2023 Open Enrollment Guide and the Benefits Summary document which are attached for your reference. Questions about any part of the benefit programs may be addressed to the Office for Faculty and Academic Staff Affairs at 517-353-5300 or at FASAffairs@msu.edu. For medical, dental or prescription plan specific information, please contact the HR Solutions Center at 517-353-4434.

*(Include only if salary is $330,000 or greater)* Please note that the Omnibus Budget Reconciliation Act of 1993 (OBRA ‘93) placed a compensation limit on the amount of salary/wages that can be used in determining employer contribution to a retirement plan. The salary cap, which is indexed annually for inflation, is $330,000 for 2023. This limit prohibits employers from making retirement plan contributions on the amount of annual salary in excess of $330,000 for 2023. If you are in this category, you will see your 403(b) contributions reduced and/or stopped within a calendar year. This limit may be indexed for inflation in $5,000 increments, in future years.

**EMPLOYMENT CONTINGENCIES**

As an executive manager, the ***Standards of Official Conduct for Senior University Administrators policy* applies to your position. This policy states the expectation for senior administrators to abide by the highest ethical standards in discharging their responsibilities for the University, to act in the best interests of the University, to accord the University their primary professional loyalty, and to arrange their other obligations, financial interests, and activities in a manner consistent with these commitments to the University. This policy also requires annual disclosure requirements for significant financial interests.**

*(Include only if the appointment requires Board of Trustees approval):* Final approval for your appointment rests solely with the MSU Board of Trustees. The next Board of Trustees meeting is on \_\_\_\_\_\_\_\_\_\_\_\_\_\_.

As part of the final approval process, your appointment is contingent on satisfactory completion of a degree and criminal background check. You will be contacted by \_\_\_\_\_\_\_\_\_ in the Office of \_\_\_\_\_\_\_ to initiate this process.

In addition, appointment approval is also subject to completion of a U.S. Citizenship and Immigration Services Form I-9. The Immigration Reform and Control Act of 1986 requires MSU to verify the employment eligibility and identity of all new hires via Form I-9. The Form I-9 must be completed via an online system. You will be receiving an email from Lisa Bila explaining how to complete this form. Section 1 of the Form I-9 must be completed on or before the first day of employment. Original, unexpired documents from either List A or List B and C must be presented to \_\_\_\_\_\_\_\_ within three business days of the first day of employment.

On behalf of the office of \_\_\_\_\_\_\_\_\_\_\_\_, I wish to express our enthusiasm for the contributions you will make in this role. We look forward to working with you as we address the opportunities ahead for Michigan State University.

The attachments to this letter (Attachments A-E) describe important issues pertaining to executive management appointments at Michigan State University. Please read them carefully and note the signature requirement on each attachment.

In order to finalize this appointment offer, please indicate your acceptance below, sign Attachments A - E and return a signed copy to me. I look forward to welcoming you as a colleague at Michigan State University.

Sincerely,

Administrator Title

c:

Enclosures:

1. Position Description
2. Attachment A: Disclosure of Relevant Background Information
3. Attachment B: Important Information for New Staff
4. Attachment C: University Policies
5. Attachment D: Intellectual Property Assignment and Policy Acknowledgment
6. Attachment E: Office of Regulatory Affairs Questionnaire
7. Executive Management Benefits Summary
8. Summary of Benefits Provided
9. 2023 Open Enrollment Guide
10. Standards of Official Conduct for Senior Administrators

I accept the offer as described in this letter.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Candidate Name Date