



Committee Meeting: Policy & Governance Committee	Date: October 11, 2019
Committee Chair: Kathleen Masiello – members present page 2	
New or Edited: New	

POLICY NAME: Installment Purchase Contract

POLICY TYPE: Board

SUBMITTED BY: Penelope Howard, EVP for Administration and Finance

ISSUE OR STATEMENT OF PURPOSE:

To establish that the SUNY Erie Board of Trustees has authorized to College Administration to enter into Installment Purchase Contracts.

NEW OR EDITED POLICY: New

Installment Purchase Contracts are agreements that would allow the college to finance the acquisition of assets and/or large purchases over a period of time. These contracts require the college to pay the seller in a series of partial payments and include or ascribe interest charges on the initial purchase.

The SUNY Erie Board of Trustees authorizes College Management to enter into Installment Purchase Contracts on behalf of the College. Installment Purchase Contracts are governed by General Municipal Law (GML) §109-b, which authorizes political subdivisions to enter into installment purchase contracts for the purpose of financing equipment, machinery and apparatus. The law requires the approval of the Board of Trustees by way of resolution, to enter into Installment Purchase Contracts.

Entering into Installment Purchase Contracts are beneficial for the College as it spreads the payments out over the life cycle of the assets and provides predictable and manageable spending patterns. It also can allow for payments to be timed to coincide with project funding availability, and to build equity in the equipment over the course of the agreement.

Under GML §109-b agreements can be titled installment purchases, lease-purchase or leases with options to purchase.

DOES IT SUPERCEDE A POLICY/WHICH ONE: No, it is new

POLICY & GOVERNANCE COMMITTEE RECOMMENDED ACTION:

The Policy & Governance Committee recommends the Board of Trustees approve the Board policy under the Committee Reports, and Policy & Governance Committee.



POLICY NAME: Installment Purchase Contract - **Continued**

POLICY & GOVERNANCE COMMITTEE MEMBERS PRESENT: Trustee Kathleen Masiello, Executive Vice President for Administration and Finance Penelope Howard, Employee Relations Manager Daniel Kaufmann, Director of Registrar Paul Lamanna, Dean of Liberal Arts and Sciences Joanne Colmerauer, Dean of Liberal Arts and Sciences Jamie Smith, and Dean of Students Petrina Hill-Cheatom

DATE OF BOARD APPROVAL: Anticipated October 31, 2019

POLICY & GOVERNANCE COMMITTEE TEAM FOLLOW-UP:

Following Trustee approval, this Board policy will be included in the SUNY Erie Community College Board of Trustees Policy Manual.

INFORMATION/INPUT CONSIDERED DURING POLICY & GOVERNANCE COMMITTEE DELIBERATIONS:

General Municipal Law (GML) §109-b

The Policy has been reviewed and discussed at the Policy & Governance Committee meeting of October 11, 2019.

History

Item:	Date:	Explanation:
Policy adopted	<i>October 31, 2019</i>	
Annual BOT Review/Reaffirmed		
Previously Reviewed and Extended		
Renamed		

SUNY Erie Cross References

Policy Name or Procedure:	Where to find: