

The **ABC's** of a Memorandum of Understanding (MOU)

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The Memorandum Of Understanding (“MOU”)

- What, how, and who?
- Why have an MOU?
- What is an MOU?
- What are some of the essential parts of a MOU?



The MOU: What and How

- **What** are the goals of each party?
- **How** do the parties expect the goals are going to be accomplished?



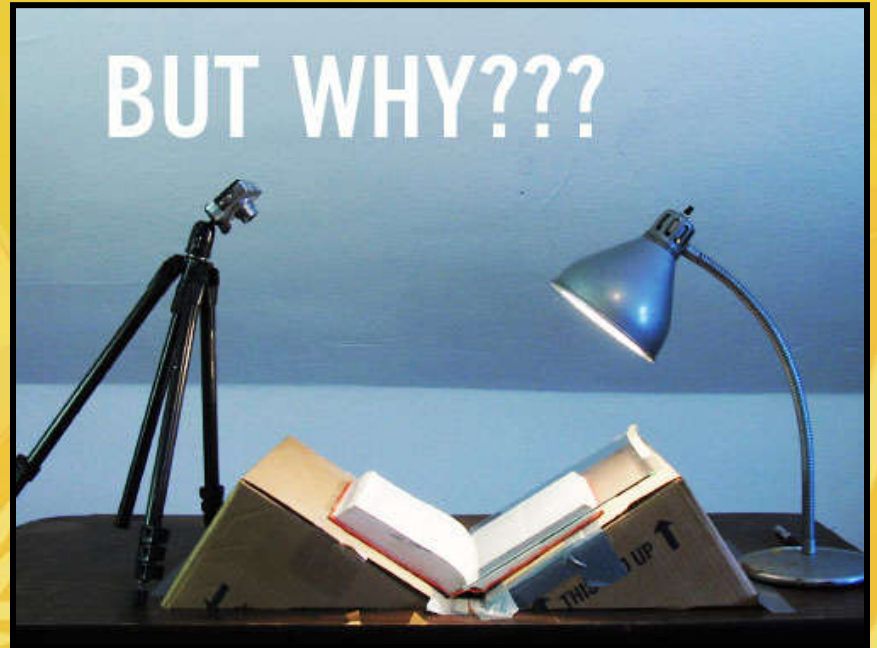
The MOU: Who and the “Jerry Maguire” Challenge?

- **Who** is responsible for what?
- **Where** is the money (who gets how much, when, etc.)?



Reasons to Have a MOU

1. To avoid confusion and conflict about direction.
2. To ensure clarity of purpose.



Essential Parts of an MOU

1. Parties
2. Purpose, Scope, Background, Objectives
3. Financials
4. Operational
5. Term, Termination, Other Boilerplate



The Focus of a MOU

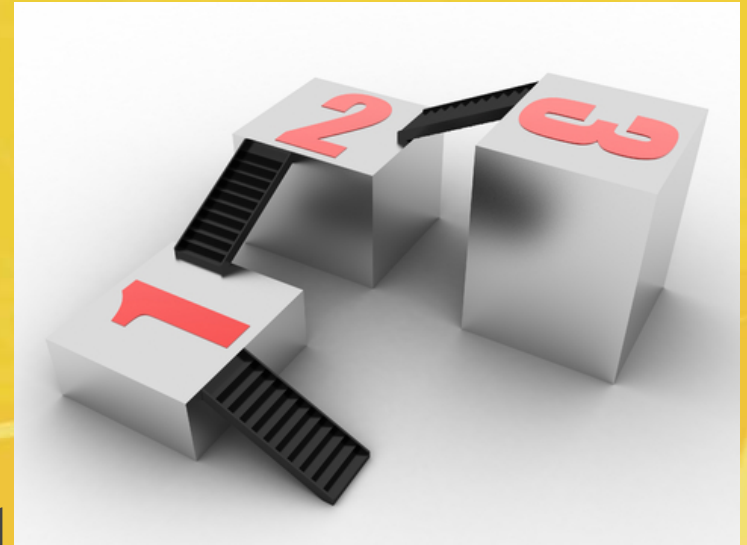
- Comprehensively identifies and addresses:
 - Operational Issues
 - Personnel Issues
 - Financial Issues
 - Legal Issues



Parties in a MOU:

Some Examples of Levels

- At the same local level
- At the same federal level
- At a federal and state level
- At an international and state level



What is a MOU?

A Practical Definition

- A “living” document
- Signed by authorized persons
- End product of a negotiation between at least two parties
- Spells out the principles of workable transactional relationships
- Customized for a specific relationship



“Living” Means Different Things In Different Contexts



"Look! It's moving. It's alive. It's alive... It's alive, it's moving, it's alive, it's alive, it's alive, it's alive, IT'S ALIVE!"

Dr. Henry Frankenstein, Frankenstein (1931)

Four Characteristics: A “Living” MOU

1. Is a creative process, reflecting give and take.
2. Reflects and incorporates the most important interests of the parties.
3. Works well because obligations and responsibilities are clearly articulated and understood.
4. Is “easy” to live with and manage.

Four Characteristics: A “Dead” MOU

1. Our way or the highway.
2. Incorporates peripheral / “petty” interests of the parties as if they are make / break essentials.
3. Works poorly because obligations and responsibilities are under-articulated. Leads to disruptive misunderstandings.
4. Is “hard” to live with and impossible to manage.

Some Examples of MOU Content

- Parties
- Overview
- Purpose or Objective
- Definitions
- Actions, Responsibilities, and Obligations
- Resources to be contributed
- Term
- Amendments
- Third Party Beneficiaries
- Severability
- Dispute Resolution
- Entirety of Agreement

Six Point Checklist

- Clearly identify the parties.
- Preamble, Introductions or Overview is succinct and easy to understand
- Duties of each party stated, distinguished, and clarified.
- Any conditional obligations stated and conditions identified.
- Personnel, Financial, and Legal issues identified and addressed with preferred solutions.
- Effective date, term, signatory authority.

Cohort Concept

- Campus Impact
- Cross-cultural Programing
- Revenue Building
- J-1 issue

ABU

**Five
Rules**

**to
Remember**

Rule #1

All MOUs are
not created
equal.



Rule #2

“The success of a relationship relies more on the integrity of the parties than it does on any document.”



Rule # 3

The best MOU dynamically connects parties in a win-win relationship.



Rule #4

If you just put a bunch of parts together, you are emulating Dr. Frankenstein.



Rule # 5

Every MOU is the result of a T.E.A.M. effort:

- Together
- Everyone
- Achieves
- More



ANY
QUESTIONS
?