

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Regental Action Required Under the State of
Michigan Conflict of Interest Statute

Action
Requested: Authorization for the University to make a payment to InSight Photography
(University of Michigan Employee, Harriette Hartigan, Owner)

Background:

The University of Michigan Health System (UMHS) Department of Obstetrics and Gynecology is seeking approval to purchase 12 photographs from InSight Photography for use in their 2006-2009 Progress Report. The total purchase price for the photographs is \$1,980. The department selected InSight Photography because they can provide these unique photographs.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Harriette Hartigan is a University employee and is a party to the purchase as Owner of InSight Photography. However, the Statute allows the University to enter into such contracts if the following conditions are met:

- a) The public servant promptly discloses any pecuniary interest in the contract to the official body which has power to approve the purchase, which disclosure shall be a matter of record in its official proceedings.
- b) The purchase is approved by a vote of not less than 2/3 of the full membership of the approving body in open session without the vote of the public servant making the disclosure.
- c) The official body discloses the following summary information in its official minutes:
 - i) The name of each party involved in the contract.
 - ii) The terms of the purchase, including duration, financial consideration between the parties, facilities or services of the public entity included in the purchase, and the nature and degree of assignment of employees of the public entity for fulfillment of the purchase.
 - iii) The nature of any pecuniary interest.

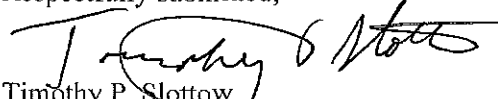
The following information is provided in compliance with the statutory requirements contained in Section (c):

- i) The parties involved in the agreement are the Regents of the University of Michigan, UMHS Department of Obstetrics and Gynecology and InSight Photography.
- ii) The agreement is to purchase 12 photographs for the 2006-2009 Progress Report in the amount of \$1,980.
- iii) The pecuniary interest arises from the fact that Harriette Hartigan is a University of Michigan employee and Owner of InSight Photography.

Harriette Hartigan has met state law requirements with the disclosure of her pecuniary interest and formal appointment arrangements with the University of Michigan. Requirements, if any, that may be applicable under the Medical School's or OVPR's Conflict of Interest Committee's procedures are separately analyzed and managed.

We recommend that the Board of Regents approve the payments between the University of Michigan and InSight Photography subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Timothy P. Slottow
Executive Vice President
and Chief Financial Officer

April 2011