

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 transact with Wars of Other Men, LLC (University of Michigan Employee Michael Zawacki, Owner)

Background:

The University of Michigan's Alzheimer's Disease Center ("MADC") seeks approval to transact with Wars of Other Men, LLC ("Wars of Other Men") for the creation and editing of 2 videos (Live Well and MADC Welcome) to post on their redesigned website. The Live Well video will highlight their new wellness initiative and the MADC Welcome video will highlight information about the center. Wars of Other Men was selected based on a recommendation of another UMHS department as well as their fee which is well below industry standards.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Michael Zawacki is a University employee as Product Manager in ITCS-Merit Network and would be party to the agreement as Owner of Wars of Other Men.

However, the Statute allows the University to enter into such agreements 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.

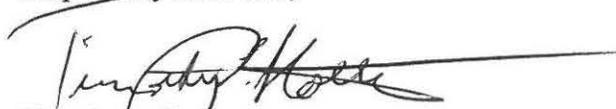
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Michigan Alzheimer's Disease Center and Wars of Other Men.
- ii) The agreement is for the creation and editing of 2 videos, Live Well and MADC Welcome video. The cost of both projects is \$3,000 which is well below industry standards for similar work
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Michael Zawacki, is also the Owner of Wars of Other Men.

Michael Zawacki has met state law requirements with the disclosure of his 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 agreement between the University of Michigan and Wars of Other Men subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Timothy P. Slotow
Executive Vice President
and Chief Financial Officer

April 2013