

**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 purchase from Melisa Schuster (University of Michigan Employee, Melisa Schuster, Creator and Distributor)

Background:

The University Of Michigan Department Of Psychiatry seeks approval to purchase CD's from Melisa Schuster to support the Mom Power curriculum which teaches moms various self-care skills in relaxation. The CD's would be given to moms to take home as a way to extend their self-care education, assisting them with deep breathing, progressive relaxations and other relaxation exercises.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Melisa Schuster is a University employee as a Clinical Social Worker-MIHP Coordinator at the Department of Social Work and would be party to the agreement as the creator and distributor of the CD's.

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 Department of Psychiatry and Melisa Schuster.
- ii) The agreement is for the purchase of 100 sets of CD's for the Power of Mom Program for a total cost of \$1,000.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Melisa Schuster, is the creator and distributor of the CD's.

Melisa Schuster 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 agreement between the University of Michigan and Melisa Schuster subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Timothy P. Slottow", written over a horizontal line.

Timothy P. Slottow
Executive Vice President
and Chief Financial Officer

May 2014