

**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 Michigan Critical Care Consultants, Inc. (University of Michigan Employee, Robert Bartlett, Co-Founder and Shareholder)

Background:

The University of Michigan Department of Surgery seeks approval to transact with Michigan Critical Care Consultants, Inc. ("MC3") for one BioVAD pump controller which is required for several of the department's experiments.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Robert Bartlett is a University employee as Professor Emeritus of Surgery in the Medical School and would be a party to the contract as Co-Founder and Shareholder of MC3.

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.

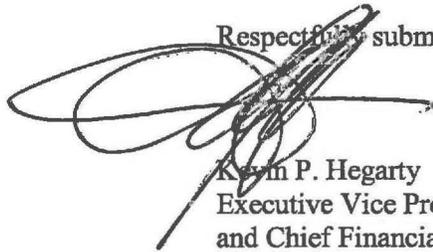
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Department of Surgery and MC3.
- ii) The agreement is for a one-time purchase of a BioVAD pump controller at a total cost of \$4,500.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Robert Bartlett is Co-Founder and Shareholder of MC3.

Robert Bartlett 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 MC3 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 'Kevin P. Hegarty', is written over the typed name and title. The signature is stylized with large loops and a long horizontal stroke.

Kevin P. Hegarty
Executive Vice President
and Chief Financial Officer

May 2016