

**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 enter into an agreement with Blue Cottage Consulting (University of Michigan Employee, Juliet Rogers, Chief Executive Officer of COI Supplier).

Background:

The University of Michigan Health System Administration seeks approval to enter into an agreement or contract with Blue Cottage Consulting for Adult Clinical Services Program Analysis.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Juliet Rogers is a University employee as Assistant Professor of Health Management and Policy in the School of Public Health and would be party to the agreement as Chief Executive Officer of Blue Cottage Consulting.

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:

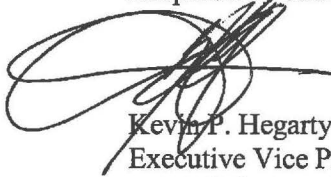
- i) The parties to the contract are the Regents of the University of Michigan and its Health System Administration and Blue Cottage Consulting.

- ii) The agreement is to provide Adult Clinical Services Program Analysis Consulting Services for a period of 16 weeks. Estimated cost for the analysis is \$340,360.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Juliet Rogers, is the Chief Executive Officer of Blue Cottage Consulting.

Juliet Rogers 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 Blue Cottage Consulting subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Kevin P. Hegarty  
Executive Vice President  
and Chief Financial Officer

June 2016