

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
January 17, 2008

ACTION REQUEST

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

Action Requested: Authorization for the University to Approve a Purchase from The Big Picture Partners (University of Michigan Employee Christie Nordhielm, Partner)

Background:

The University of Michigan School of Social Work seeks approval to purchase strategic planning services from The Big Picture Partners for developing a unified strategy to be implemented over the next five years. The Big Picture Partners was selected based on the School of Social Work's recommendation and the availability of Christie Nordhielm.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as Christie Nordhielm is a University employee and would be a party to the contract by virtue of her role as a founding member and partner of The Big Picture Partners. 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) above:

- i) The parties to the contract are the Regents of the University of Michigan and its School of Social Work and The Big Picture Partners.

- ii) The purchase is strategic planning services to develop an actionable strategy that can be implemented over the next five years. The plan will include assessment of core skills, identifying organizational objectives, resource allocation rules, buy-in from stakeholders and metrics. The estimated overall cost of these services is \$20,000.
- iii) The pecuniary interest arises from the fact that Christie Nordhielm, a University of Michigan Ross School of Business employee as a Clinical Associate Professor of Marketing, is a founding member and partner of The Big Picture Partners.

Christie Nordhielm 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 payment between the University of Michigan and MIDTW 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

January 2008