

**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 Joy-Southfield Community  
Development Corporation, Inc. (University of Michigan Employee, Dr. David  
Law, Director)

Background:

The University of Michigan Institute of Healthcare Policy and Innovation seeks approval to transact with Joy-Southfield Community Development Corporation, Inc. ("Joy-Southfield CDC") for facilitation of intern training. Three program trainees will participate in the MiCHWA (Michigan Community Health Worker Association) training as part of a grant-funded community intervention.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Dr. David Law is a University employee as Intermittent Lecturer in Health and Human Services with the College of Education at the Dearborn Campus and would be party to the contract as Director of Joy-Southfield CDC.

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.

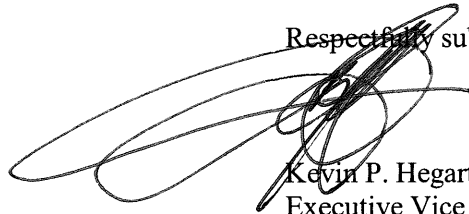
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Institute of Healthcare Policy and Innovation and Joy-Southfield CDC.
- ii) The agreement is to provide funding for three program trainees to participate in the MiCHWA training for a total cost of \$3,710. Joy-Southfield CDC will be supplying all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions are typical to those used in Procurement Services standard templates for other similar contracts entered into by the Regents.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Dr. David Law, is the Director of Joy-Southfield CDC.

Dr. David Law 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 by the supervisor of Dr. David Law 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 Joy-Southfield CDC subject to requirements, if any, that the supervisor of Dr. David Law or 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.

Kevin P. Hegarty  
Executive Vice President  
and Chief Financial Officer

February 2018