

**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 a master agreement with Arbor  
Research Collaborative for Health (University of Michigan Employees, Marianne  
Udow- Phillips and Paula Lantz, Board Members).

Background:

The University of Michigan (University) Sponsored Programs Office seeks approval to enter into a master agreement with Arbor Research Collaborative for Health (Company) for the purpose of collaboration on various future sponsored research activities.

This proposed master agreement (Agreement) falls under the State of Michigan Conflict of Interest Statute as Marianne Udow-Phillips is a University employee as Lecturer in Health Management and Policy, School of Public Health, and Paula Lantz is a University employee as Associate Dean for Research and Policy Engagement in School of Public Health, and would be party to the Agreement as paid Board of Director Members of Arbor Research Collaborative for Health.

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 contract, which disclosure shall be a matter of record in its official proceedings.
- b) The contract 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 contract, including duration, financial consideration between the parties, facilities or services of the public entity included in the contract, and the nature and degree of assignment of employees of the public entity for fulfillment of the contract.
  - iii) The nature of any pecuniary interest.

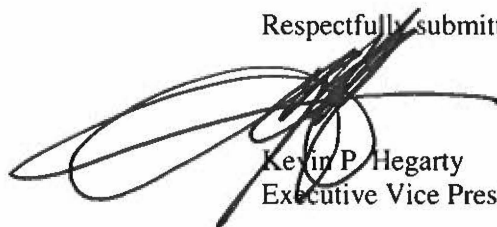
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the Agreement are the Regents of the University of Michigan and Arbor Research Collaborative for Health.
- ii) The Agreement is for Company to provide sponsored research services through various future projects. The University will use standard procedures for performance of sponsored projects as well as provisions implementing University and Federal policies related to intellectual property and publications. The Agreement will cover an initial five-year period (02/01/2020 – 01/31/2025) with a total authorization not to exceed \$10,000,000. The University will use standard sponsored project accounting procedures to determine the cost of each project under this Agreement. Budgets will be reviewed and approved by authorized representatives of the applicable University department and school/college. The proposed Agreement will allow the University and Company to collaborate on various future sponsored research activities. Since sponsored projects are often amended, the Agreement will include provisions for changes in the time and scope of each supported project. University procedures for approval of each project will be followed and additional conflict of interest review will be done on a project-by-project basis.
- iii) The pecuniary interest arises from the fact that Marianne Udow-Phillips is a University employee as Lecturer in Health Management and Policy, School of Public Health, and Paula Lantz is a University employee as Associate Dean for Research and Policy Engagement in School of Public Health, and would be party to the Agreement as paid Board of Director Members of Arbor Research Collaborative for Health.

Marianne Udow-Phillips and Paula Lantz have met state law requirements with the disclosure of their pecuniary interest and formal appointment arrangements with the University. Requirements, if any, that may be applicable by the supervisors of Marianne Udow-Phillips and Paula Lantz, under the Medical School's or UMOR's Conflict of Interest Committee's procedures are separately analyzed and managed.

We recommend that the Board of Regents approve the University of Michigan enter into this Agreement with Company, subject to requirements, if any, that the supervisors of Marianne Udow-Phillips and Paula Lantz or the Medical School's or UMOR's Conflict of Interest Committee may impose.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kevin P. Hegarty', is written over a horizontal line.

Kevin P. Hegarty  
Executive Vice President and Chief Financial Officer

February 2020