

**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 of Michigan to enter into a contract with Low Carbon Fuel Systems, LLC (University of Michigan Employee Andre Boehman, Chief Technology Officer).

Background:

The University of Michigan (“University”) seeks approval to enter into a contract with Low Carbon Fuel Systems, LLC (“LCFS”) for the purpose of research activities.

The proposed contract falls under the State of Michigan Conflict of Interest Statute because Andre Boehman, Vennema Professor of Engineering and Professor of Mechanical Engineering, College of Engineering, is an employee of the University and the LCFS Chief Technology Officer.

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 purchase, 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 contract are the Regents of the University of Michigan and LCFS.
- ii) The contract is for LCFS to provide sponsored research collaboration services under a sponsored project from the U.S. Department of Energy titled “Medium Duty Off-Road DME Engine Achieving High Efficiency and Ultra Low Emissions.” The performance period is anticipated to be October 1, 2023 through December 31, 2026, and is estimated to not exceed \$880,836. The terms of the contract will comply with appropriate University requirements. Since projects are often amended, the contract will include provisions for changes in time, amount, and scope.
- iii) The pecuniary interest arises from the fact that University employee Andre Boehman is Chief Technology Officer at LCFS.

Andre Boehman has met state law requirements with the disclosure of his pecuniary interest and formal appointment arrangements with the University. Requirements, if any, that may be applicable by the supervisors of Andre Boehman or UMOR’s Conflict of Interest Committee’s procedures are separately analyzed and managed.

We recommend that the Board of Regents approve the University enter into a contract with LCFS, subject to requirements, if any, that the supervisors of Andre Boehman or UMOR’s Conflict of Interest Committee may impose.

Respectfully submitted,



Geoffrey S. Chatas
Executive Vice President and Chief Financial Officer

February 2024