

**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 contract with Laura Sanders, LMSW, LLC. D.B.A. Lovingway Farm (University of Michigan Employee, Laura Sanders, Owner and Director).

Background:

The University of Michigan School of Social Work seeks approval to enter into a contract with Laura Sanders, LMSW, LLC. D.B.A. Lovingway Farm to rent farm space for classes and continued education courses related to animal assisted therapy.

The proposed contract falls under the State of Michigan Conflict of Interest Statute as Laura Sanders is employed by the University as an LEO Teaching Professor with the School of Social Work and would be a party to the contract as owner and director of Laura Sanders, LMSW, LLC. D.B.A. Lovingway Farm.

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.

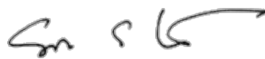
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its School of Social Work and Laura Sanders, LMSW, LLC. D.B.A. Lovingway Farm.
- ii) The contract is to rent farm space for classes and continued education courses related to animal assisted therapy for a three year term at a total cost not to exceed \$40,000. Laura Sanders, LMSW, LLC. D.B.A. Lovingway Farm will supply 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, Laura Sanders is owner and director of Laura Sanders, LMSW, LLC. D.B.A. Lovingway Farm.

Laura Sanders 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 by the supervisor of Laura Sanders 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 contract between the University of Michigan and Laura Sanders, LMSW, LLC. D.B.A. Lovingway Farm subject to requirements, if any, that the supervisor of Laura Sanders or the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Geoffrey S. Chatas  
Executive Vice President and Chief Financial Officer

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