

**THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION**

Approved by the Regents

March 20, 2008

ACTION REQUEST

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

Action Requested: Authorization for the University to Purchase from Measurement Systems Inc. (University of Michigan Employee Charles Woolley, Owner)

Background:

The University of Michigan Biomedical Engineering Department (BME) seeks approval to purchase a microprocessor and pre-amplifier from Measurement Systems Inc. This equipment monitors electromyograms needed to complete dissertation work in the Mobility Research Center. BME obtained multiple competitive bids and the equipment and pricing offered by Measurement Systems Inc. was the most cost effective while providing the requirements for the department.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as Charles Woolley is a University employee and would be a party to the contract as owner of Measurement Systems Inc. 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 Biomedical Engineering Department and Measurement Systems Inc.

- ii) The purchase is a four-channel microprocessor and pre-amplifier for \$2,130.
- iii) The pecuniary interest arises from the fact that Charles Woolley, a University of Michigan employee as Engineering Research Associate II, Adjunct Lecturer in the Center for Ergonomics, Industrial and Operations Engineering, is owner of Measurement Systems Inc.

Charles Woolley 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 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 purchase between the University of Michigan and Measurement Systems Inc. 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

March 2008