

Approved by the Regents  
May 17, 2012

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 extend the contract dated July 1, 2008 with  
Michigan Interiorscaping LLC (University of Michigan Employee Bruce  
Morrison, Owner)

Background:

The University of Michigan seeks approval to extend the current contract with Michigan Interiorscaping, LLC for continued services of indoor plant maintenance and periodic plant replacement while steps are taken to competitively bid these services.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Bruce Morrison is a University employee as Gardner II in Grounds and Waste Management and would be party to the agreement as owner of Michigan Interiorscaping, LLC.

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 Michigan Interiorscaping, LLC.
- ii) The agreement is to provide indoor plant maintenance and periodic replacement of plants for various University departments through June 30, 2012. The total cost to cover these services is from \$45,000 to \$55,000.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Bruce Morrison, Gardner II in Grounds and Waste Management department is owner of Michigan Interiorscaping, LLC.

Bruce Morrison 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 agreement between the University of Michigan and Michigan Interiorscaping, LLC 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

May 2012

# UNIVERSITY OF MICHIGAN

## PROCUREMENT SERVICES

Date: April 20, 2012

To: Rowan Miranda, Associate Vice President for Finance  
Nancy Hobbs, Director of Procurement Services  
Tom Blessing Assistant General Counsel (Meets Legal Requirements)  
Colin Anderson, Procurement Manager  
James Bruce, Construction & MRO Commodity Manager

RM  
LH 4-20-12  
TB 4/24/12  
CA

initial/date

From: Allison Scott, Procurement Agent

Subject: Conflict of Interest – Michigan Interiorscaping, LLC

The University of Michigan seeks approval to extend the contract with Michigan Interiorscaping, LLC (“Interiorscaping”) which was previously approved by the Regents in October, 2008. The agreement is to provide indoor plant maintenance and periodic replacement of plants for various University departments. Interiorscaping has been providing this service to several departments since 2003 when Plant Building and Grounds Services Department discontinued indoor plant maintenance for all University units. The extension of this contract will allow uninterrupted service until a competitive bid process for these services is completed. The combined monthly fee for the service is \$960 with periodic plant replacement costs ranging from \$25 to \$75.

This is our fifth reported COI with Interiorscaping. Prior payments total \$93,000. Payments include \$39,256 to Michigan Interiorscaping, LLC via PO, \$5,500 to Michigan Interiorscaping Company via Peard, \$650 to Bruce Morrison via non-PO and \$47,660 via Form G.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Bruce Morrison is a University employee as Gardner II with Grounds and Waste Management and would be a party to the contract as owner of Interiorscaping.

We recommend that the Board of Regents approve the payments between the University of Michigan and Interiorscaping subject to requirements, if any, that either the Medical School’s or OVPR’s Conflict of Interest Committee may impose.

### Attachments:

1. Regents Action Request
2. Pecuniary Interest Disclosure Statement
3. OVPR/COI Management Plan

ATTN. ALISON SCOTT

# M UNIVERSITY OF MICHIGAN

## PROCUREMENT SERVICES

7071 WOLVERINE TOWER  
3003 SOUTH STATE STREET  
ANN ARBOR, MI 48109-1282

### PECUNIARY INTEREST DISCLOSURE STATEMENT

The State of Michigan statute, MCLA 15.322 et seq., in effect since 1984, states that the University may not enter into a contract with any of its employees (or a supplier in which an employee has an interest), without first disclosing certain information to the Board of Regents. One item of information requiring disclosure is the nature of the pecuniary (financial) interest of the University employee with the supplier.

The disclosure of a significant relationship does not suggest or condone bias in decision making, but rather it provides University of Michigan Procurement Services with information that might be of importance to the disposition of a transaction.

In regard to the requirement:

Name of Supplier MICHIGAN INTERIORSKAPING LLC  
 Name of Employee BRUCE R MORRISON  
 Employee's Department GROUNDS  
 Employee's Title GRANDNAT II

#### Relationship with Supplier:

Stockholder

Owner

Partner

Director

Member

Employee

Other \_\_\_\_\_

Bruce Morrison 4-6-12  
 Employee Signature Date

Or

\_\_\_\_\_  
 Supplier Signature Date

\_\_\_\_\_  
 Title

**THE UNIVERSITY OF MICHIGAN**

***Plant Building & Grounds Services***

*Going the Distance to Make a Difference!*

**John Lawter**  
Associate Director

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To: Allison Scott, Procurement Agent  
From: John Lawter, Associate Director, PBGS  
CC: file  
Date: 4/17/2012  
Re: Bruce Morrison Conflict of Interest Request

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The Plant Building and Grounds Services Department (PBGS), nor any other University Department to our knowledge, provides or plans to provide interior plant maintenance at the Ann Arbor campus. PBGS discontinued this service in 2003 for budgetary reasons. Bruce Morrison was one of the staff members assigned this duty and had been providing the service for over 15 years. Since Bruce is dependable, provides excellent plant care, and knows the needs of the various departments, several University units have asked he be allowed to continue this service as a private vendor.

PBGS supports Bruce Morrison's request to provide interior plant maintenance to University of Michigan departments independent of his University employment. Bruce Morrison is currently a 100% FTE in PBGS in another capacity.