

**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 Southwest Research Institute (University of Michigan Employee Stefano Livi, employee and Principal Investigator at Southwest Research Institute.)

Background:

The University of Michigan (University) Climate and Space Sciences and Engineering department, through its College of Engineering, seeks approval to enter into a contract with Southwest Research Institute for the purpose of collaboration under a sponsored project.

The proposed contract falls under the State of Michigan Conflict of Interest Statute as Stefano Livi is a University employee as Research Professor of Climate and Space Sciences and Engineering and would be party to the contract as employee and principal investigator at Southwest Research Institute.

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 its College of Engineering through its Climate and Space Sciences and Engineering Department and Southwest Research Institute.
- ii) The contract is for Southwest Research Institute to provide sponsored research services under National Aeronautics and Space Administration project titled "Phase A Development and Bridge Phase B Option For the Interstellar Mapping and Acceleration Probe (IMAP)". The performance period is anticipated to be February 12, 2020 through June 30, 2020, and is estimated not to exceed \$299,465. 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 Stefano Livi would be party to the contract as employee and principal investigator at Southwest Research Institute.

Stefano Livi 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 supervisor of Stefano Livi 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 Southwest Research Institute, subject to requirements, if any, that the supervisor of Stefano Livi or UMOR's Conflict of Interest Committee may impose.

Respectfully submitted,



Kevin P. Hegarty  
Executive Vice President  
and Chief Financial Officer

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