

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 transact with Divinity Home Care, Divinity Care Services, and Quality Private Care (University of Michigan Employee Tatjana Tina Savich owner, co-owner or minority owner)

Background:

The University of Michigan-Flint seeks approval to transact with Divinity Home Care, Divinity Care Services, and Quality Private Care for clinical placements.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as the following individual is a University employee and would be a party to the contract as Tatjana Tina Savich, faculty member and capstone coordinator, Occupational Therapy, College of Health Sciences, owner, or co-owner of the above mentioned businesses.

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 transaction 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 transaction, including duration, financial consideration between the parties, facilities or services of the public entity included in the transaction, 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 Divinity Home Care, Divinity Care Services, and Quality Private Care.
- ii) The agreement is to transact with Divinity Home Care, Divinity Care Services, and Quality Private in regards to clinical placements for the foreseeable future.
- iii) The pecuniary interest arises from the fact the University of Michigan employee, identified above.

The University employee identified above has met state law requirements with the disclosure of her pecuniary interest and formal appointment arrangement with the University of Michigan. Requirements, if any, that may be applicable by the supervisor(s) of the University employee identified under the College of Health Sciences 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 Divinity Home Care, Divinity Care Services, and Quality Private Care subject to requirements, if any, that the supervisor(s) of the University employee identified or the College of Health Sciences Conflict of Interest Committee may impose.

Respectfully submitted,



Kevin P. Hegarty
Executive Vice President
and Chief Financial Officer

June 2020