

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

EXH	MOTION <i>Deitch</i>
	SECOND <i>Newman</i>
	ACTION APPROVED BY THE REGENTS
NOTE:	JUL 21 2005

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 Purchasing Contract with Monoky & Associates (University of Michigan Employee John F. Monoky, Principal Consultant)

Background:

The University of Michigan Business School's Executive Education Center wishes to enter into a contract for the purchase of textbooks for their executive education programs from Monoky & Associates. John F. Monoky, Adjunct Professor in Business Administration, is the Principal Consultant of Monoky & Associates.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as John F. Monoky is a University employee in the Department of Business Administration and would be a party to the contract by virtue of his consultancy with Monoky & Associates. However, the statute allows University employees to participate in such purchases, 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 Business School's Executive Education Center and Monoky & Associates.
- ii) The product provided is textbooks, to be purchased through December of 2006, at a total cost of \$6,450.00.
- iii) The pecuniary interest arises from the fact that John F. Monoky, a University of Michigan employee, is principal consultant of Monoky & Associates.

John F. Monoky has met state law requirements with the disclosure of his pecuniary interest, and his 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 contract between the University of Michigan and Monoky & Associates, 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

July, 2005