

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 contract with Possibilities for Change, LLC
(University of Michigan Employee Jennifer Salerno, Owner)

Background:

The University of Michigan Community Health Programs and Services seeks approval to contract with Possibilities for Change, LLC to provide programming changes to the existing databases within Rapid Assessment for Adolescent Preventative Services ("RAAPS") which is being used by the Regional Alliance for Healthy Schools ("RAHS") program. The programming changes will align all electronic records to interface easier with the MiChart system. Six RAHS databases within RAAPS need to be combined into one database within the RAAPS system yet still allow each RAHS to be identifiable within that database.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Jennifer Salerno is a University employee as Nursing Supervisor in the Department of Community Services and Programs and would be party to the agreement as Owner of Possibilities for Change, 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 its Community Health Programs and Services and Possibilities for Change, LLC.
- ii) The agreement is for a one-time transaction for programming changes to the existing database within RAAPS which is being used by the RAHS program. The total cost of the agreement is \$1,200.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Jennifer Salerno, is Owner of Possibilities for Change, LLC.

Jennifer Salerno has met state law requirements with the disclosure of her 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 Possibilities for Change, 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

July 2012