

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 miLEAD Consulting Group
(University of Michigan Employee, Michael Lang, President)

Background:

The University of Michigan Medical School Office of Graduate and Postdoctoral Studies seeks approval to transact with miLEAD Consulting Group ("miLEAD"). The department selected miLEAD due to their local accessibility, low fee structure and their unique understanding of the project scope. The contracted study is to provide insight into how the Office of Graduate and Postdoctoral Studies can consider changing its thought process for teaching within the biomedical sciences.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Michael Lang is a University employee as Graduate Student Research Assistant with the Medical School Cell and Developmental Biology Department and would be a party to the contract as President of miLEAD.

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.

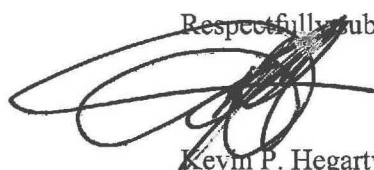
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Medical School Office of Graduate and Postdoctoral Studies, and miLEAD.
- ii) The agreement is for contracted study for insight into how to change the thought process for teaching within the biomedical sciences. The project is anticipated to take six months with a service fee of \$8,100.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Michael Lang, is the President of miLEAD.

Michael Lang 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 miLEAD subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kevin P. Hegarty', is written over the typed name and title.

Kevin P. Hegarty
Executive Vice President
and Chief Financial Officer

July 2016