

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 Arbor Research Collaborative for Health (University of Michigan Employees, Dr. Paula Lantz and Marianne Udow-Phillips, Directors).

Background:

The University of Michigan Institute for Healthcare Policy and Innovation seeks approval to transact with Arbor Research Collaborative for Health for statistical analysis services.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Dr. Paula Lantz is a University employee as Associate Dean for Academic Affairs, Professor of Public Policy and James B. Hudak Professor of Health Policy with the Department of Health Policy at the Ford School of Public Policy and would be party to the agreement as Director of Arbor Research Collaborative for Health; Marianne Udow-Phillips is a University employee as Executive Director with the Center for Health and Research Transformation and would be party to the agreement as Director of Arbor Research Collaborative for Health.

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 University of Michigan Institute for Healthcare Policy and Innovation and Arbor Research Collaborative for Health.
- ii) The agreement is for a one time purchase at a total cost not to exceed \$3,571. Arbor Research Collaborative for Health will be supplying all the necessary resources and personnel to fulfill this request. The remaining base contract terms and conditions are typical to those used in Procurement Services standard templates for other similar contracts entered into by the Regents.
- iii) The pecuniary interest arises from the fact that University of Michigan employees, Dr. Paula Lantz and Marianne Udow-Phillips are Directors of Arbor Research Collaborative for Health.

Dr. Paula Lantz and Marianne Udow-Phillips have met state law requirements with the disclosure of their pecuniary interest and formal appointment arrangements with the University of Michigan. Requirements, if any, that may be applicable by the supervisor of Dr. Paula Lantz and Marianne Udow-Phillips, 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 Arbor Research Collaborative for Health subject to requirements, if any, that the supervisor of Dr. Paula Lantz and Marianne Udow-Phillips or the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Kevin P. Hegarty
Executive Vice President and Chief Financial Officer

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