

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 enter into an agreement with OptimizeU Partners, LLC (University of Michigan Employees, Amy Young, Shahnaz Broucek, and Lisa Morgan, Members).

Background:

The University of Michigan Stephen M. Ross School of Business Center for Positive Organizations seeks approval to enter into an agreement with OptimizeU Partners, LLC for consulting, facilitation, and coaching services.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Amy Young and Shahnaz Broucek are University employees as Lecturer IV with Stephen M. Ross School of Business and would be parties to the contract as members of OptimizeU Partners, LLC, and Lisa Morgan is Associate Director of Alumni Career Development with Stephen M. Ross School of Business and would be party to the contract as member of OptimizeU Partners, 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 Stephen M. Ross School of Business Center for Positive Organizations and OptimizeU Partners, LLC.
- ii) The agreement is for a duration of one year at a total cost not to exceed \$45,000. OptimizeU Partners, LLC will be supplying all the necessary resources and personnel to fulfill this contract. 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, Amy Young, Shahnaz Broucek, and Lisa Morgan are members of OptimizeU Partners, LLC.

Amy Young, Shahnaz Broucek, and Lisa Morgan 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 supervisors of Amy Young, Shahnaz Broucek, and Lisa Morgan, 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 OptimizeU Partners, LLC subject to requirements, if any, that the supervisors of Amy Young, Shahnaz Broucek, and Lisa Morgan or the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Geoffrey S. Chatas
Executive Vice President and Chief Financial Officer

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