

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 Fishfly LLC (University of Michigan Employee, Sarah McKinnon, Owner).

Background:

The University of Michigan Department of Slavic Languages and Literatures seeks approval to transact with Fishfly LLC to facilitate the department's faculty retreat.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Sarah McKinnon is a University employee as Business Development Intermediate Supervisor 2 (50% time) with Ross School Center for Positive Organizations and would be a party to the contract as the owner of Fishfly 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.

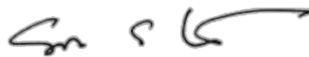
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Department of Slavic Languages and Literatures and Fishfly LLC.
- ii) The agreement is for the Slavic Languages and Literatures faculty retreat for one day at a cost not to exceed \$6,600. Fishfly LLC will supply all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions are typical of 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 employee, Sarah McKinnon, is the owner of the COI supplier.

Sarah McKinnon 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 by the supervisor of Sarah McKinnon, 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 Sarah McKinnon subject to requirements, if any, that the supervisor of Sarah McKinnon 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

July 2024