

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

Approved by the Regents

September 22, 2006

ACTION REQUEST

Subject: Regental Action Required Under the State of Michigan Conflict of Interest Statute

Action Requested: Authorization for the University to Enter into a Contract with Elizabeth Noble Goodenough, LLC (University of Michigan Employee Elizabeth Goodenough)

Background:

The University of Michigan's Michigan Television wishes to receive approval to enter into a contract with Elizabeth Noble Goodenough, LLC to serve as Outreach Director for the documentary *Where Do the Children Play?*, currently in production. Elizabeth Noble Goodenough, LLC was selected as the documentary is based on her previous work on children's play spaces, and is funded by grants which she was instrumental in procuring.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as Elizabeth Goodenough is a University employee and is party to the purchase by virtue of her ownership in the LLC. However, the Statute allows the University to enter into such contracts 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 Michigan Television and Elizabeth Noble Goodenough, LLC.
- ii) The service provided is Outreach Director for a documentary in production, to be completed by November, 2007. The cost for the service is \$42,750.00.
- iii) The pecuniary interest arises from the fact that Elizabeth Goodenough, University of Michigan employee, has a substantial ownership interest in Elizabeth Noble Goodenough, LLC.

Elizabeth Goodenough has met state law requirements with the disclosure of her pecuniary interest, and her 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 contract between the University of Michigan and Elizabeth Noble Goodenough, 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 & Chief Financial Officer

September 2006