

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 Approve a Payment for Maritime Photographic Company (University of Michigan Employee Wayne Sapulski, Sole Proprietor)

Background:

The University of Michigan's MFit Employee Wellness Programs wishes to receive approval to make a payment to Maritime Photographic Company. The department wishes to make this payment for photographic prints and books used as part of a physical activity incentive program. Wayne Sapulski, a University of Michigan Employee, is the Sole Proprietor of Maritime Photographic Company. Maritime Photographic Company was chosen to provide this service because of the quality of the work and theme of the photography.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as Wayne Sapulski is a University employee and would be a party to the contract by virtue of his Sole-Proprietorship of Maritime Photographic Company. However, the Statute allows University employees to participate in such purchases, 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 MFit Employee Wellness Programs, and Maritime Photographic Company.
- ii) The service provided was photographic services for a total dollar amount of \$200.00.
- iii) The pecuniary interest arises from the fact that Wayne Sapulski, a University of Michigan employee, is a Member of the Board of Trustees of Maritime Photographic Company.

Wayne Sapulski has met state law requirements with the disclosure of his pecuniary interest, and his 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 Maritime Photographic Company, 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