

**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 Ann Arbor Symphony Orchestra, Inc. (University of Michigan Employees Roderick Little, Director and Geoffrey Barnes, VP of the Board of Directors).

Background:

The University of Michigan Department of Ophthalmology, Visual Sciences, Cardiovascular Center, Depression Center, Cancer Center, Transplant Center and Eye Center seek approval to enter into an agreement with Ann Arbor Symphony Orchestra, Inc. for sponsorship that will increase visibility and exposure to the UMHS centers.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Roderick Little is a University employee as Biostatistics Professor with the School of Public Health and would be party to the contract as Director of Ann Arbor Symphony Orchestra, Inc. and Geoffrey Barnes is a University employee as Assistant Professor with Internal Medicine and would be party to the contract as VP of the Board of Directors of Ann Arbor Symphony Orchestra, Inc.

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 Ophthalmology and Visual Sciences Department and Ann Arbor Symphony Orchestra, Inc.
- ii) The agreement is for orchestra sponsorship for the duration of one year at a total cost of \$20,000. Ann Arbor Symphony Orchestra, Inc. 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, Roderick Little and Geoffrey Barnes are volunteer Board Members and Officers of the Ann Arbor Symphony Orchestra.

Roderick Little and Geoffrey Barnes 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 Roderick Little and Geoffrey Barnes, 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 Ann Arbor Symphony Orchestra, Inc. subject to requirements, if any, that the supervisor of Roderick Little and Geoffrey Barnes, 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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