

**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 FreezerNanny (University of  
Michigan Employees, Manhong Dai, Fan Meng, Tom Dixon, Limited Partners).

Background:

The University of Michigan Molecular and Behavioral Neuroscience Institute seeks approval to enter into an agreement with FreezerNanny for wireless monitoring devices, probes, and service for ultra-low freezers to maintain temperatures of biological samples.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Manhong Dai is a University employee as Data Architect Lead with the Department of Molecular and Behavioral Neuroscience Institute and would be party to the contract as limited partner of FreezerNanny; Fan Meng is a University employee as Research Associate Professor with the Department of Psychiatry and the Department of Molecular and Behavioral Neuroscience Institute and would be party to the contract as limited partner of FreezerNanny; and Tom Dixon is a University employee as Facilities Coordinator with the Department of Molecular and Behavioral Neuroscience Institute and would be party to the contract as limited partner of FreezerNanny.

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 Molecular and Behavioral Neuroscience Institute and FreezerNanny.
- ii) The agreement is for a duration of three years at a total cost not to exceed \$75,000. FreezerNanny 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, Manhong Dai, Fan Meng, and Tom Dixon are limited partners of FreezerNanny.

Manhong Dai, Fan Meng, and Tom Dixon 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 Manhong Dai, Fan Meng, and Tom Dixon 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 FreezerNanny subject to requirements, if any, that the supervisor of Manhong Dai, Fan Meng, and Tom Dixon 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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