

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 (University of Michigan Employees, Geoffrey Barnes and Roderick Little, Directors).

Background:

The University of Michigan Frankel Cardiovascular Center, Transplant Center, Rogel Cancer Center, and Kellogg Eye Center seeks approval to enter into an agreement with Ann Arbor Symphony Orchestra for Sponsorship.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Geoffrey Barnes is a University employee as Assistant Professor with the Department of Internal Medicine and Roderick Little is a University employee as Professor with the Department of Biostatistics and would be parties to the contract as directors of Ann Arbor Symphony Orchestra.

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.

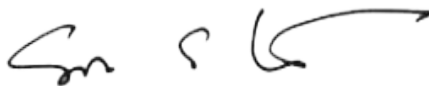
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Frankel Cardiovascular Center, Transplant Center, Rogel Cancer Center, Kellogg Eye Center and Ann Arbor Symphony Orchestra.
- ii) The agreement is for a one time purchase at a total cost not to exceed \$20,000. Ann Arbor Symphony Orchestra 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 Geoffrey Barnes and Roderick Little, are directors of Ann Arbor Symphony Orchestra.

Geoffrey Barnes and Roderick Little 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 Geoffrey Barnes and Roderick Little, 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 subject to requirements, if any, that the supervisors of Geoffrey Barnes and Roderick Little 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

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