

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 the Institute for Social and Environmental Research (University of Michigan Employee Dr. Dirgha Jibi Ghimire, Director and Board Member)

Background:

The University of Michigan Institute for Social Research ("ISR") seeks approval to enter into an agreement with the Institute for Social and Environmental Research ("ISER") for research support in the Chitwan Valley of Nepal. ISER will provide assistance in data collection and obtaining governmental approvals and permits for ISR's trainees and faculty. ISER is uniquely qualified and experienced to provide these services in Nepal.

The proposed contract falls under the State of Michigan Conflict of Interest Statute as Dr. Dirgha Jibi Ghimire is a University employee and would be a party to the contract as Director and a member of the Board of Directors of ISER. 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 involved in the contract are the Regents of the University of Michigan, ISR and ISER.

- ii) The contract with ISER is for supporting research in the Chitwan Valley of Nepal for ISR's Partnerships in International Research and Education ("PIRE") project. Payments to ISER related to PIRE are not to exceed a total of \$110,000 through 2013.
- iii) The pecuniary interest arises from the fact that Dr. Dirgha Jibi Ghimire, University of Michigan employee as Associate Research Scientist in ISR, is Director and a Board Member of ISER.

Dr. Dirgha Jibi Ghimire has met state law requirements with the disclosure of his pecuniary interest and 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 payments between the University of Michigan and ISER 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  
and Chief Financial Officer

October 2010