

**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 agreement with Big Bear
Properties, LLC. (University of Michigan Employee Marilyn MacKool, Owner)

Background:

The University of Michigan School of Dentistry, Community and Outreach Program seeks approval to enter into an agreement with Big Bear Properties, LLC (“Big Bear”) to lodge dental students during clinical rotations. Big Bear was chosen due to its proximity to the clinic in Atlanta, Michigan.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Marilyn MacKool is a University employee as a Patient Services Assistant in the University of Michigan Hospital Medical Procedures Unit and would be party to the agreement as Owner of Big Bear.

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.

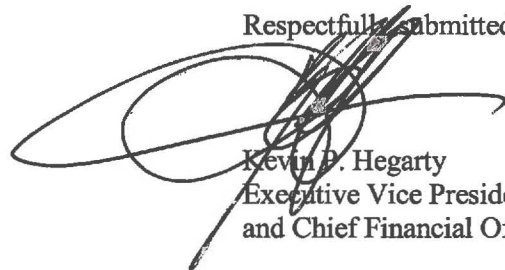
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its School of Dentistry and Big Bear.
- ii) The agreement is for lodging for the dental students' clinical rotations in Atlanta, Michigan through April, 2016 at a total cost of \$15,210.
- iii) The pecuniary interest arises from the fact that University of Michigan employee Marilyn MacKool would be party to the agreement as Owner of Big Bear.

Marilyn MacKool has met state law requirements with the disclosure of her 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 agreement between the University of Michigan and Big Bear subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kevin D. Hegarty", is written over the typed name and title. The signature is stylized with large loops and a long horizontal stroke extending to the right.

Kevin D. Hegarty
Executive Vice President
and Chief Financial Officer

October 2015