

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

Background:

The University of Michigan Institute for Social Research seeks approval to purchase services from the Institute for Social and Environmental Research-Nepal ("ISER-N") for data collection and processing in Nepal.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Dr. Dirgha Jibi Ghimire is a University employee as a Research Associate Scientist in the Population Studies Center at the Institute for Social Research and would be party to the agreement as a Director of ISER-N.

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 Institute for Social Research and the Institute for Social and Environmental Research-Nepal .
- ii) The agreement is for the purchase of services through July 31, 2019 for a total cost not to exceed \$200,000. The Institute for Social and Environmental Research-Nepal 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 employee, Dr. Dirgha Jibi Ghimire, is Director of the Institute for Social and Environmental Research-Nepal.

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 by the supervisor of Dr. Dirgha Jibi Ghimire, 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 ISER-N subject to requirements, if any, that the supervisor of Dr. Dirgha Jibi Ghimire or 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 P. Hegarty", is written over a horizontal line. The signature is stylized and somewhat messy.

Kevin P. Hegarty
Executive Vice President and Chief Financial Officer

December 2018