

**THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION**

Approved by the Regents
January 18, 2007

ACTION REQUEST

Subject: Regental Action Required Under the State of Michigan Conflict of Interest Statute

Action Requested: Authorization for the University to Approve a Payment for Singing Winds Music Company (University of Michigan Employee Richard Giszczak, Sole Owner)

Background:

The University of Michigan's School of Music, Theatre & Dance wishes to receive approval to pay for the purchase of booklets of carillon music. Richard Giszczak, a University of Michigan employee, is the Sole Owner of Singing Winds Music Company. Singing Winds Music Company was chosen to provide these booklets because they are one of the few private publishers of this music, and the quality of the product is outstanding.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as Richard Giszczak is a University employee and would be a party to the contract by virtue of his role as Sole Owner of Singing Winds Music Company. 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.

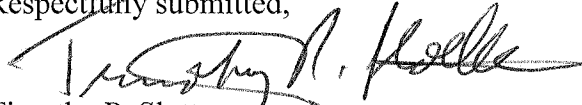
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its School of Music, Theatre & Dance and Singing Winds Music Company.
- ii) The product provided is booklets of carillon music. The cost for the product is \$62.00.
- iii) The pecuniary interest arises from the fact that Richard Giszczak, a University of Michigan employee, is the Sole Owner of Singing Winds Music Company.

Richard Giszczak has met state law requirements with the disclosure of his pecuniary interest, and his 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 payment between the University of Michigan and Singing Winds Music Company, 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 & Chief Financial Officer

January 2007