

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents

April 17, 2008

ACTION REQUEST

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

Action Requested: Authorization for the University to Purchase from Monoky & Associates (University of Michigan Employee John F. Monoky, Co-Owner)

Background:

The University of Michigan Ross School of Business Executive Education Center seeks approval to purchase textbooks from Monoky & Associates. Monoky & Associates was chosen to provide these books because they are the only vendor that can provide the books upon request and at a discounted price.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as John F. Monoky is a University employee and would be a party to the contract as co-owner of Monoky & Associates. 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:

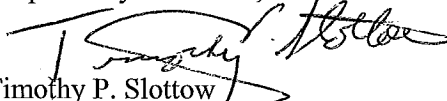
- i) The parties to the contract are the Regents of the University of Michigan and its Ross School of Business Executive Education Center and Monoky & Associates.

- ii) The product provided is the textbook, *The Sales Manager's Idea-A-Day Guide*. The cost for 17 copies of the book is \$680.
- iii) The pecuniary interest arises from the fact that John F. Monoky, a University of Michigan employee as Adjunct Professor in Business Administration, is co-owner of Monoky & Associates.

John F. Monoky has met state law requirements with the disclosure of his pecuniary interest, and his formal appointment 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 Monoky & Associates, 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

April 2008