

**THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION**

**Approved by the
Regents
June 18, 2015**

ACTION REQUEST

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

Action Requested: Authorization for the University to transact with SFTC Nonprofit (University of Michigan Employee, Kendrick Jones, Director)

Background:

The University of Michigan Flint International Center seeks approval to transact with SFTC Nonprofit for the production of film documentary and training videos. The documentary will be used as an intercultural communication piece for faculty, staff and students and is meant to shed light on the various issues, challenges and expectations of students while studying in different countries and environments.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Kendrick Jones is a University employee as Lecturer I in the Flint Theatre & Dance Department at the College of Arts and Sciences and would be party to the contract as the Director of SFTC Nonprofit.

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 Flint International Center and SFTC Nonprofit.
- ii) The agreement is for the production of film documentary and training videos at a total cost of \$4,800.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Kendrick Jones, is the Director of SFTC Nonprofit.

Kendrick Jones 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 agreement between the University of Michigan and SFTC Nonprofit 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 P. Hegarty', is written over a circular stamp or seal. The signature is fluid and cursive.

Kevin P. Hegarty
Executive Vice President
and Chief Financial Officer

June 2015