

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
November 17, 2006

ACTION REQUEST

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

Action Requested: Authorization for the University to Enter into a Contract with Jazz Pie Music (University of Michigan Employees Roderick McDonald, Christopher Smith, and James Dapogny, Band Members)

Background:

The University of Michigan's Department of Ophthalmology and Visual Sciences wish to receive approval to make payment to Jazz Pie Music. The department wishes to make this payment for a musical performance provided for a holiday gathering. The department chose Jazz Pie Music because of the quality of their performance and their reasonable cost.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as Roderick McDonald, Christopher Smith, and James Dapogny are University employees and are parties to the purchase by virtue of their positions as band members of Jazz Pie Music. 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 Department of Ophthalmology and Visual Sciences and Jazz Pie Music.
- ii) The service to be provided is musical entertainment. The cost for the service is \$1,850.00.
- iii) The pecuniary interest arises from the fact that Roderick McDonald, Christopher Smith, and James Dapogny, University of Michigan employees, are Band Members in Jazz Pie Music.

Roderick McDonald, Christopher Smith, and James Dapogny have met state law requirements with the disclosure of their pecuniary interest, and their 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 Jazz Pie Music, 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

November 2006