

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 W. C. Burgard Illustration & Design (University of Michigan Employee William Burgard, Sole Proprietor)

Background:

The University of Michigan's Depression Center wishes to receive approval to make payment to W. C. Burgard Illustration & Design. The department wishes to make this payment for the design of their donor wall. The department chose W. C. Burgard Illustration & Design because of Mr. Burgard's reputation as an artist, as well as their desire to use local talent.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as William Burgard is a University employee and is a party to the purchase by virtue of his position as Sole Proprietor of W. C. Burgard Illustration & Design. 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 Depression Center and W. C. Burgard Illustration & Design.
- ii) The service provided was graphic design. The cost for the service is \$9,775.00.
- iii) The pecuniary interest arises from the fact that William Burgard, a University of Michigan employee, is Sole Proprietor of W. C. Burgard Illustration & Design.

William Burgard 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 W. C. Burgard Illustration & Design, 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