

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

EXH	MOTION <i>Newman</i>
	SECOND <i>Naumaid</i>
	ACTION
APPROVED BY THE REGENTS	
NOTE:	MAR 17 2005

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

Action Requested: Authorization for the University to Enter Into a Purchasing Contract with Joe Braun Photography (University of Michigan Employee Joseph B. Braun, Sole Owner)

Background:

The University of Michigan's Department of Human Resources and Affirmative Action wishes to enter into a contract with Joe Braun Photography to provide a variety of framed and matted photographs. Joseph B. Braun is a Sole Owner of Joe Braun Photography. Joe Braun Photography was chosen because of the quality of the work and the reasonable cost.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as Joseph B. Braun is a University employee and would be a party to the contract by virtue of his Sole Ownership of Joe Braun Photography. However, the Statute allows University employees to participate in such purchases, 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 Human Resources and Affirmative Action, and Joe Braun Photography.
- ii) The product to be provided is framed and matted photographs at a total cost of \$1,850.
- iii) The pecuniary interest arises from the fact that Joseph B. Braun, a University of Michigan employee, is a Sole Owner of Joe Braun Photography.

Joseph B. Braun 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 contract between the University of Michigan and Joe Braun Photography, 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

March 2005

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