

**THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION**

ACTION REQUEST

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

Action Requested: Authorization for the University to transact with Institute for Social and Environmental Research Nepal (University of Michigan Employee Dirgha Jibi Ghimire, Member of the Board of Directors)

Background:

The University of Michigan Institute for Social Research ("ISR") seeks approval to transact with the Institute for Social and Environmental Research Nepal ("ISER-N") for additional services. The additional costs are for infrastructure, research expenses for interviewers and data collection, and conversion of data files to digital in Nepal through June 30, 2015. This request is based on ISR's revised projections of upcoming projects with ISER-N.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Dirgha Jibi Ghimire is a University employee as a Research Associate Scientist in the Population Studies Center at ISR and would be party to the agreement as a Member of the Board of Directors of ISER-N.

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.

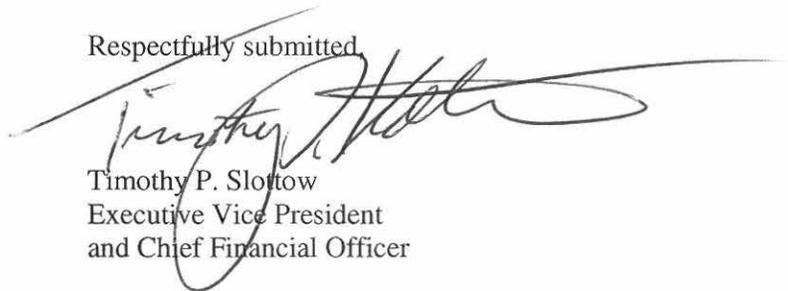
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its ISR and ISER-N.
- ii) The agreement is for additional transactions with ISER-N for infrastructure, research expenses for interviewers and data collection, and conversion of data files to digital in Nepal through June 30, 2015. This request is based on ISR's revised projections of upcoming projects with ISER-N totaling \$100,000.
- iii) The pecuniary interest arises from the fact that University of Michigan employee Dirgha Jibi Ghimire is a Member of the Board of Directors of ISER-N.

Dirgha Jibi Ghimire 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 ISER-N 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 2014