

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents

May 17, 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 Purchase from Cathleen A. Baker (University of Michigan Employee)

Background:

The University of Michigan's Hatcher Graduate Library wishes to receive approval to purchase a first edition monograph titled "By His Own Labor: the Biography of Dard Hunter." The department would like to strengthen their collection of book arts in western culture in the Special Collections Library by the purchase of this one of a kind autographed book. Cathleen A. Baker, a University of Michigan Employee, is the author and owner of the biography. Cathleen A. Baker was chosen to provide this book as it is an important addition to the collection.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as Cathleen A. Baker is a University employee and would be a party to the contract by virtue of her role as author and owner of the book. 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 Hatcher Graduate Library and Cathleen A. Baker.
- ii) The product provided is a limited edition autographed biography. The total cost for the product is \$1,800.00.
- iii) The pecuniary interest arises from the fact that Cathleen A. Baker, a University of Michigan employee, is the author and owner of the book.

Cathleen A. Baker has met state law requirements with the disclosure of her pecuniary interest, and her 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 Cathleen A. Baker, 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

May 2007