

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ANEXH	MOTION <i>Newman</i>
	SECOND <i>Maynard</i>
	ACTION APPROVED BY THE REGENTS
NOTE: SEP 15 2005	

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 Purchasing Contract with Kaleidoscope Graphic Design (University of Michigan Employee Rose Anderson, Sole Owner)

Background:

The University of Michigan Rackham Development Office wishes to enter into a purchasing contract for graphic design services. Kaleidoscope Graphic Design was chosen because of the quality of the design, their consistency with past design work, and their competitive cost.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as Rose Anderson is a University employee and is a party to the purchase by virtue of her position as Sole Owner of Kaleidoscope Graphic 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.

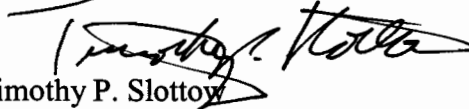
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Rackham Development Office and Kaleidoscope Graphic Design.
- ii) The services provided are graphic design services. The systems are to be provided for the period ending June 30, 2008, for a total dollar amount of \$6,000.00.
- iii) The pecuniary interest arises from the fact that Rose Anderson, a University of Michigan employee, is Sole Owner of Kaleidoscope Graphic Design.

Rose Anderson 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 contract between the University of Michigan and Kaleidoscope Graphic 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 and Chief Financial Officer

September, 2005