

**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 enter into an agreement with Brian Tell Consulting (University of Michigan Employee, Catherine Lilly, Subcontractor)

Background:

The University of Michigan Office of University Development seeks approval to enter into an agreement with Brian Tell Consulting for program facilitation and general consulting services. Brian Tell Consulting was selected based on their consultants' expertise in program facilitation and general consulting services.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Catherine Lilly is a University employee as a Senior Advisor with the Office of the Executive Vice President and Chief Financial Officer and would be party to the agreement as Subcontractor of Brian Tell Consulting.

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.

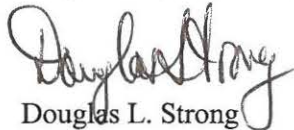
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Office of University Development and Brian Tell Consulting.
- ii) The agreement is for program facilitation and general consulting services for the term of one year at an estimated cost of \$32,000.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Catherine Lilly is a Subcontractor of Brian Tell Consulting.

Catherine Lilly has met state law requirements with the disclosure of her 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 Brian Tell Consulting subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Douglas L. Strong
Interim Executive Vice President
and Chief Financial Officer

September 2014