

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents

November 20, 2008

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 Contract with Gladwin Center (University of Michigan Employee Thomas N. Gladwin, Owner)

Background:

The University of Michigan Procurement Services seeks approval to enter into a contract with Gladwin Center for use of their meeting and conference facilities by University departments. Gladwin Center was chosen because of its availability, adequate size, amenities and discounted rates.

The proposed purchase falls under the State of Michigan Conflict of Interest Statute as Thomas N. Gladwin is a University employee and would be a party to the contract by virtue of his role as owner of Gladwin Center. 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:

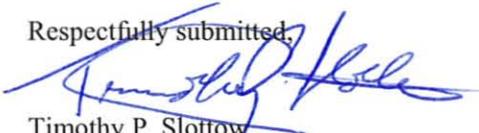
- i) The parties to the contract are the Regents of the University of Michigan and its Procurement Services department and Gladwin Center.

- ii) The contract is for facility rentals as needed by University departments through 2012 not to exceed total payment of \$3,000 for the entire contract period.
- iii) The pecuniary interest arises from the fact that Thomas N. Gladwin, jointly appointed as Professor in the School of Natural Resources and Environment and Ross School of Business, is the sole owner of Gladwin Center.

Thomas N. Gladwin 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 contract between the University of Michigan and Gladwin Center 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

November 2008