

SUBMITTED BY:

**STEPHEN M. LANIER, PH.D.
VICE PRESIDENT FOR RESEARCH**

**UNIVERSITY SUBCONTRACT FOR SPONSORED
RESEARCH AGREEMENT FROM COMMUNITY
LIVING SERVICES,
A COMPANY IN WHICH A WAYNE STATE UNIVERSITY
EMPLOYEE IS A BOARD MEMBER**

RECOMMENDATION

The Administration recommends that the Board of Governors authorize the President or his designee to enter into a subcontract with Oakland County Division of Community Living Services, Inc. (CLS). The subcontract is to provide clinical services for the Treatment Foster Care Oregon Initiative on the Psychiatry Program Grant with MDHHS.

BACKGROUND

Angela Martin is a Community Support Specialist/Research Assistant with the Developmental Disabilities Institute at Wayne State University. CLS was first founded as Wayne CLS (WCLS) as State Agency in 1993. WCLS helped any former Wayne County residents (children and adults) living in institutions and nursing homes in Michigan move to community homes in Wayne County.

The operation of WCLS was transferred to the Detroit-Wayne County Community Mental Health Agency (D-WCCMHA) in 1991, as part of a planned transfer of responsibility from the State to local community mental health control.

WCLS incorporated as a non-profit agency and today is one of the largest in the state. It also contracted with D-WCCMHA to continue its programs of home development, community placement, and supportive clinical services. In September 1999, WCLS, Inc. changed its name to Community Living Services, Inc. to better reflect its mission.

In 2002, the D-WCCMHA selected CLS as one of three Managers of Comprehensive Provider Networks (MCPN) for the purpose of developing and managing a comprehensive network of facilities and individual practitioners to meet the needs of persons with developmental disabilities. Following the requirements of the Medicaid B Waiver Prepaid Inpatient Health Plan (PIHP), CLS is responsible to competitively manage capitated funds and to give people and their families' provider network choices. CLS is also a service provider within the scope of the MCPN contract, offering Supports Coordination services to people enrolled with CLS.

During the last decade, CLS expanded beyond Wayne County, offering solely Self-determination arrangements to people living in Oakland and Macomb Counties. These arrangements are structured to deliver Self-determination in its purest sense. This means each person is supported by an individual budget, a fiscal intermediary and an Independent Supports Coordinator.

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Michigan Conflict of Interest law requires specific sunshine procedures in order for a University employee, or a company owned by a University employee, to contract directly or indirectly with the University:

- (A) The employee must disclose any pecuniary interest in the contract to the Board and the disclosure must be made a matter of record in the Board's proceedings.
- (B) The subcontract must be approved by a vote of not less than two-thirds of the full membership of the Board in open session.
- (C) The Board's minutes must report:
 - (i) The name of each party involved in the subcontract.
 - (ii) The terms of the contract, including duration, financial consideration between the parties, facilities or services of the public entity included in the contract, and the nature and degree of assignment of employees of the public entity for fulfillment of the contract.
 - (iii) The nature of any pecuniary interest.

If the Board approves this Recommendation, the minutes will report as follows:

The Board of Governors authorized the President or his designee to enter into subcontract agreements to provide up to \$900,000 in services with CLS.

- (i) The parties involved in the subcontract are Wayne State University and CLS, LLC.
- (ii) The subcontract will provide:
 - (a) Scope: CLS will provide clinical services for the TFCO initiative for the Psychiatry Program Grant with MDHHS.
 - (b) Duration: A subcontract will be issued annually on the condition that the Psychiatry Program grant is awarded from MDHHS. The grant and subcontract would be on a fiscal year of 10/01 – 09/30. The first subcontract year would be from 02/01/19 – 09/30/19. WSU would continue to subcontract with CLS until they become a certified TFCO site, which normally takes about 3 years.
 - (c) Financial Consideration: The amount of the subcontract will not exceed \$103,499 for FY 2019, and roughly \$370,000 each fiscal year until certified thereafter. This amount will be reviewed annually prior to submission of the grant to MDHHS and may increase or decrease dependent upon program needs and funding.
 - (d) WSU facilities would not be utilized under this subcontract.
 - (e) Employees Assigned to the Services: The employees have not been hired yet for these services. The positions that CLS will be hiring for are: Team Leader, Recruiter/Trainer/PDR caller, Family Therapist, Youth Therapist, and two Skills Coaches. These positions will not be performed by Angela Martin.
- (iii) Angela Martin has no pecuniary interest in CLS. CLS is a non-profit agency and Ms. Martin's position as a board member is a non-paid/ voluntary position. She will have no potential to financially benefit from any growth or success of CLS.