

**UNIVERSITY CONTRACTS WITH
AN ORGANIZATION IN WHICH
A University Staff Member is an Officer of the corporation
Campus Health Center**

RECOMMENDATION

The Administration recommends that the Board of Governors authorize the President or his designee to enter into three individual contracts with the Nursing Practice Corporation. Dean Laurie M. Lauzon Clabo, by virtue of her role as dean is also the President of the Nursing Practice Corporation, which is the faculty practice plan of the College of Nursing. The 3 contracts are:

1. Memorandum of Understanding to operate the Campus Health Center for a period of 5 fiscal years, FY 2022 through FY 2026. The base cost for year one is \$1,764,904, and may be adjusted for inflationary reasons during the life of the agreement. The MOU has an approximate value of \$9 million for the five-year period
2. Amendment to Professional Services Agreement to provide COVID testing and Vaccinations to students, faculty & staff, for a period through April 30, 2022. The amount of the Amendment has a maximum of \$4 million.
3. Service Agreement to provide immunization services and Wellness Warriors screenings for a two-year period, through fiscal year 2023. This is a renewal of an agreement awarded as a result of a competitive bid, and has a value of approximately \$150k for the two-year period

BACKGROUND

Wayne State began using the Nursing Practice Corporation (NPC), a Michigan 501c3, to operate the Campus Health Center in 2005, or shortly after the opening of the 3 Student Residential Buildings; Atchison, Ghafari, and the Towers. In 2012, we entered into a Memorandum of Understanding signed by then Vice President Richard Nork for Wayne State and by Barbara Redman, dean of the College of Nursing and President of NPC. The initial agreement was for a seven-year period, through fiscal year 2019, and was amended to cover the periods through fiscal year 2021. Annual payments started at \$2.3 million, but were \$1,764,904 for each year starting in 2017, the same amount as the new agreement. The new agreement is being issued to Amend and Restate the Memorandum of Understanding between the parties.

In early 2021, the need to have on-campus capability to screen students, faculty and staff for COVID 19 and to provide COVID-19 Vaccinations became very evident, and a Professional Service Agreement was issued to NPC based on both the existing MOU and their unique position at the Campus Health Center to provide this service. That agreement

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had a not-to-exceed value of \$2.1 million. The agreement needs to be renewed for FY 2022, and it has become evident that a significant amount of testing and vaccine administration will take place, hence the \$4 million figure.

The smaller Service Agreement for (flu) immunizations and Wellness Warrior screenings was entered into in early 2019 as a result of an RFP conducted on behalf of Human Resources / Benefits & Wellness. Prior to the RFP, these services were provided by University Pharmacy, which moved away from the campus prior to 2019.

Wayne State University does not have any ownership interest in the Nursing Practice Corporation.

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 contract 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 contract.
 - (ii) The terms of the contract, including duration, financial consideration between 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 authorizes the President or his designee to contracts with the Nursing Practice Corporation through an MOU for the Campus Health Center and a standard service provider agreement issued by the Procurement department for the COVID-19 Testing & Vaccination Services and the Immunization & Wellness Warriors Screening Services.

- (i) The parties involved in the contracts are Wayne State University and the Nursing Practice Corporation.
- (ii) The contracts will provide that:
 - (a) Scope: Nursing Practice Corporation will provide
 - a. Operation of the Campus Health Center, under the direction of the dean of the College of Nursing

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- b. COVID-19 Testing & Vaccination Services, under the direction of the dean of the College of Nursing
 - c. Immunization Services and Wellness Warrior Screenings, under the direction of the Chief Health & Wellness Officer and Human Resources / Benefits & Wellness
- (b) Duration: The term of the Campus Health agreement will extend through September 30, 2026. The COVID Testing & Vaccination Services will extend through April 30, 2022, and the Immunization & Wellness Warrior Screening agreement will run through September 30 2023.
- (c) Financial Consideration: The amount of the Campus Health Center contract will start at \$1,764,904 per year and will have a value of approximately \$9 million over the life of the contract. The COVID Testing & Vaccination Services will have a value of \$4 million, and the Immunization & Wellness Warriors agreement will have a value of approximately \$150,000.
- (d) University Facilities to be Utilized: The Campus Health Center will continue to be housed on the first floor of the Anthony Wayne Drive Apartments
- (e) Wayne State University Employees Assigned to the Services: Shelley Clifton, BAO for the College of Nursing, will function as the primary contract administrator.
- (iii) Laurie M. Lauzon Clabo is both the Dean of Nursing, the unit that oversees the two major contracts, and the President of the Nursing Practice Corporation. The corporation is a 501c3. The board members are volunteers and receive no compensation for their roles.