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MICHIGAN HOUSE OF REPRESENTATIVES

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FOR IMMEDIATE RELEASE

Representative Cambensy sends Letter to AG Nessel Requesting Opinion on NMU Foundation, Lifepoint Hospital, Veridea Conflict of Interest, Taxation Surrounding Sale and Project

LANSING, Mich., Thursday, July 28, 2022 - Representative Sara Cambensy sent a letter to Attorney General Dana Nessel today, requesting an opinion on whether the NMU Foundation is considered a public body, therefore subjecting the charitable arm of Northern Michigan University to the Freedom of Information Act (FOIA) and the Open Meetings Act (OMA) surrounding the gift of the old hospital site by Lifepoint and the sale to Veridea. Cambensy also asked if the information regarding the appraisals and taxable evaluations of the property could be made public to assure the taxpayers that the private real estate sale that fell through between Lifepoint and Veridea in 2019 did not seek to devalue the property in any way by now involving the NMU Foundation, and selling the property first to the non-profit for \$1.

“Anytime you utilize a public entity to do business, especially when there is Michigan case law for University Foundations that rules that they are still subject to FOIA and OMA even though they receive gifts, the public deserves to know about those public transactions. We are asking the AG to tell us what documents can be released surrounding this project and property sale, and to make those documents available to the public.”

Representative Cambensy also questioned the conflict-of-interest clause that was recently changed at NMU to exclude board members who have a financial interest in projects if there is only one bid received, as well as whether or not NMU Board of Trustee members were in violation of private benefit or inurement, especially as they were an ex-officio to the NMU Foundation at the time the project was announced.

“There are many valid concerns that community members brought to me that I feel need to be addressed surrounding this project and the people who are either publicly appointed to serve on these boards or who work for a public institution at NMU that are giving the appearance of an insider deal. My office has the ability to collect those concerns and ask for an opinion from the AG when we cannot get all the answers from the individuals or organizations involved.” Cambensy continued, “If the inquiry produces nothing alarming, illegal or that needs further investigation, great. There will be greater transparency. But when the taxpayers want their elected official to look into whether or not their tax dollars are being used appropriately and whether the public institutions that their tax dollars support are operating above board, I take that very seriously. I’m going to ask the questions as their state representative. I hope every elected official would use the tools they have to do their due-diligence to protect the taxpayer’s money, too.”

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