

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents
March 15, 2012

ACTION REQUEST

Subject: Research Agreement between the University of Michigan and Michigan Aerospace Corporation

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office for Research Sponsored Projects while reviewing the Proposal Approval Form which then triggered a review by the OVPR Conflict of Interest Review Committee. The Committee concluded that the proposed agreement presents minimal risk and approved it with disclosure as sufficient management.

This proposed agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Lennard Fisk is both an employee of the University of Michigan ("University") and an owner of Michigan Aerospace Corporation ("MAC"). The law permits such an Agreement provided it is disclosed to the executive officers and approved in advance by a 2/3 vote of the Regents of the University of Michigan.

Background:

Dr. Fisk, Professor of Space Science in the Department of Atmospheric, Oceanic and Space Science, is a partial owner of a for-profit company called MAC (the "Company"). The Company provides innovative optical, opto-mechanical and mechanical components as well as image processing, pattern recognition and machine learning software and desires to support research at the University of Michigan through a Phase I project from the Department of Defense under the Small Business Technology Transfer (STTR) Program to create a satellite drag model for near real time operation.

Agreement Terms:

The terms of the Agreement conform to University policy. Dr. Aaron Ridley, Associate Professor of Atmospheric, Oceanic and Space Sciences, College of Engineering, will direct the project over a ten (10) month period and the amount of funding support is \$40,000. The Company seeks to enter into a Research Agreement with the University the purpose of enabling MAC to run simulations on the Global Ionosphere Thermosphere Model, validate data and support the creation of research tools by providing documentation and codes. Since research projects are often amended, these agreements include provisions for changes in time, amount, and scope of each supported project. University procedures for approval of the terms and conditions governing this work will be followed and additional conflict of interest review will be done as appropriate.

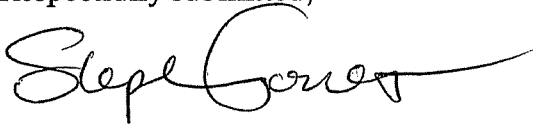
Impact of the Agreement:

The Agreement will support an effort by Dr. Ridley to use his expertise and University resources to facilitate the generation and evaluation of a satellite drag model.

Recommendation:

This matter has been reviewed and approved by the OVPR Conflict of Interest Review Committee. In light of the disclosure made in this document and our finding that the agreement was negotiated in conformance with standard University practices, I recommend that the Board of Regents approve of the University's entering into this Agreement with Michigan Aerospace Corporation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen R. Forrest". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Stephen R. Forrest
Vice President for Research

March 2012