

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

April 19, 2007

ACTION REQUEST

Subject: Grant Agreement from and Hosting Agreement with a non-profit corporation in which University employees serve as officers

Action Requested: Authorization to accept a Grant Agreement from and Hosting Agreement the Hope Foundation

Preamble:

A conflict of interest situation was identified by DRDA while reviewing the Proposal Approval Form and a Hosting Agreement that then triggered a review by the Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflict of interest was developed by the committee and agreed to by the parties involved in this agreement.

This proposed agreements comes before the Board of Regents under the State of Michigan Conflict of Interest Statute because Dr. Larry Baker is both an employee of the University and President of the Hope Foundation (Foundation) and Anna Schork is both an employee of the University and Secretary of the Foundation. The law permits the University to enter into such an agreement provided it is disclosed to the executive officers and approved in advance by a 2/3 vote of the Regents.

Background:

Dr. Larry Baker, Professor of Internal Medicine, Division of Hematology/Oncology and Deputy Director, Comprehensive Cancer Center, is the President of the Hope Foundation a non-profit organization located in Ann Arbor. Anna Schork, Legal/Fiscal Administrator, Southwest Oncology Group, is the Secretary of the Foundation. The Foundation will be funded primarily by contracts and gifts. Dr. Baker receives no compensation from the Foundation and has no financial interest in the Foundation, while Ms. Schork is paid for her role at the Foundation.

The Hope Foundation has received a grant from Sanofi-Aventis to support a fellowship at the University of Michigan (Grant Agreement). The Grant Agreement will be under the direction of Dr. Cheryl T. Lee, Associate Professor in the Department of Internal Medicine, Division of Urology, who has no proprietary or other interest in the Foundation. In addition, the Medical School has proposed to enter into a hosting agreement (Hosting Agreement) to provide administrative services for the Foundation.

Terms of the Agreements:

The terms of the proposed Grant Agreement are acceptable and conform to University policy. The amount of the grant to the University is \$50,000. The period of performance is twelve months.

The Hosting Agreement is for a period of three years in which the Medical School will provide the Foundation with administrative services, such as maintenance of Foundation accounts. The Foundation will be charged the same rate as other Medical School users for these services.

Neither Dr. Baker nor Ms. Schork play a role with regard to the University's performance of these Agreements and receive no remuneration from them.

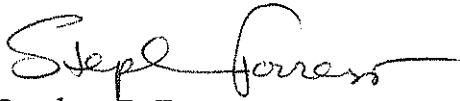
Impact of the Agreements:

The Agreements will enable the University to support training in urologic oncology to support cancer research and clinical trials.

Recommendation:

This matter has been reviewed and approved by the Medical School Conflict of Interest Board. In light of this disclosure and our finding that the Agreements conform to standard University practices, I recommend that the Board of Regents approve of the University's accepting this Grant Agreement and Hosting Agreement from the Hope Foundation.

Respectfully submitted,



Stephen R. Forrest
Vice President for Research

April 2007