

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

May 15, 2008

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and MKP Structural Designs, Inc.

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by the Division of Research Development and Administration while reviewing the Proposal Approval Form. This triggered a review of the project by the OVPR Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflicts of interest was then developed by the Committee and agreed to by the parties involved.

The proposed agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Dr. Zheng-Dong Ma is an employee of the University of Michigan ("University") and a co-founder, co-owner and President of a small business called MKP Structural Design Associates, Inc. ("MKP"). 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 (Regents).

Background:

Dr. Zheng-Dong Ma is an Associate Research Scientist in the Department of Mechanical Engineering and Applied Mechanics of the College of Engineering and a co-founder, co-owner and President of a small business called MKP Structural Design Associates, Inc. ("MKP").

Nature of the Agreement:

MKP supports research at the University designed to characterize novel armor materials. MKP wishes to enter into a subcontract with the University to enable Dr. Anthony Waas, a Professor and Associate Chair of the Department of Aerospace Engineering in the College of Engineering to perform this effort. Dr. Ma will not participate in this research project in his capacity as an employee of the University.

Agreement Terms:

The terms of the Agreement conform to University policy. Dr. Anthony Waas, a Professor and Associate Chair of the Department of Aerospace Engineering in the College of Engineering will be Principal Investigator for the project at the University. The period of performance for the project is eight (8) months and the amount of funding support is \$42,656. The Agreement contains a provision allowing amendment by mutual agreement by the parties. University procedures for approval of these amendments will be followed and additional conflict of interest review will be done as appropriate.

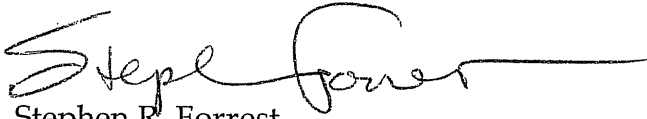
Impact of the Agreement:

The Agreement will support an effort by Dr. Waas to utilize his expertise in materials characterization to assist in the creation of the novel armor materials.

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 MKP Structural Design Associates, Inc.

Respectfully submitted,

A handwritten signature in black ink that reads "Stephen R. Forrest". The signature is written in a cursive style with a long horizontal line extending to the right.

Stephen R. Forrest
Vice President for Research

May 2008