

THE UNIVERSITY OF MICHIGAN

EXH

REGENTS COMMUNICATION

MOTION

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SECOND

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ACTION

APPROVED BY THE REGENTS

ACTION REQUEST

DATE:

OCT 21 2005

Subject: Research Agreement between the University of Michigan and Omni Sciences, Inc.

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by DRDA while reviewing the Proposal Approval Form for this project, that then triggered a review by the OVPR Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflicts of interest was developed by the committee and agreed to by the parties involved in this agreement.

This proposed agreement (Agreement) falls under the State of Michigan Conflict of Interest Statute because Dr. Mohammed N. Islam is both an employee of the University and the sole owner of Omni Sciences, Inc. 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.

Background:

Dr. Islam, Professor, Department of Electrical Engineering and Computer Sciences (EECS), is the sole owner of a for-profit company, Omni Sciences, Inc. (hereinafter "Company"). The Company wishes to enter into a research agreement with the University under the direction of Dr. Fred Terry, Associate Professor of EECS. Dr. Islam will not participate in the project in his capacity as a University employee.

Nature of the Agreement:

This proposed project will be a subcontract between the Company and the Regents of the University of Michigan (UM) to perform research under a prime contract between the Company and the Army under the Small Business Technology Transfer Program Phase I.

Agreement Terms:

The terms of the proposed Agreement conform to University policy and will be conducted over an eight month period at an estimated total cost of \$37,077. The subcontract includes a provision for extensions of the time period and scope of work. University procedures for approval of these changes will be followed and additional review by the Conflict of Interest Review Committee will be done as appropriate.

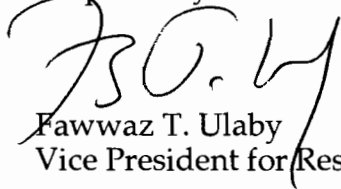
Impact of the Agreement:

The agreement enables follow-on research to be performed promoting understanding and application of mid-infrared fibers for homeland security as well as industrial and analytical chemistry applications. It also provides for collaboration between the College of Engineering and a Michigan start-up company.

Recommendation:

This matter has been reviewed and approved by the OVPR Conflict of Interest Review Committee and by the Associate Dean for Research of the College of Engineering. 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 Omni Sciences, Inc.

Respectfully submitted,



Fawwaz T. Ulaby
Vice President for Research

October 2005