

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

October 23, 2008

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and Michigan Critical Care Consultants, Inc.

Action Requested: Authorization to enter into Agreement

Preamble:

A conflict of interest situation was identified by the Office of Contract Administration while reviewing the Request for a Subcontract received from the Department of Surgery that then triggered a review by the Medical School Conflict of Interest Board ("Board"). A plan for management of the possible risks associated with the conflict of interest will be developed by the board 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. Robert Bartlett is both an employee of the University of Michigan ("University") and a part owner of Michigan Critical Care Consultants, Inc. ("MC3"). 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 of the University of Michigan.

Background:

Dr. Robert Bartlett, Professor Emeritus in the Department of Surgery, is a co-founder and a member of the Scientific Advisory Board of MC3. MC3 has been a party to several previously approved agreements with the University including subcontracts to and from the University under Federal grants. The University now wishes to provide a subcontract to MC3 to participate in a continuing project supported by a grant from the National Institutes of Health (NIH) entitled, "Extracorporeal Circulation Without Anticoagulation."

Agreement Terms:

This agreement is subject to the development and Board approval of a plan for management of the possible risks associated with the conflict of interest. The terms of the subcontract with MC3 will conform to University and Federal policies. Under the project, a total subcontract of \$96,733 is anticipated to cover the period April 1, 2008 through March 31, 2009. The University's standard subcontracting provisions will apply. Since research agreements are often

amended, the subcontract will include provisions for changes in time, amount, and scope of research. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Impact of the Agreement:

The Agreement will permit the participation of MC3 and, therefore, will allow the University to meet the goals and objectives approved by NIH. It also provides for ongoing support and collaboration between the Medical School and a University start-up company.

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 agreement conforms to standard University practices, I recommend that the Board of Regents approve of the University entering into this agreement with Michigan Critical Care Consultants, Inc.

Respectfully submitted,

A handwritten signature in black ink that reads "Stephen R. Forrest". The signature is written in a cursive style with a large, sweeping "S" at the beginning.

Stephen R. Forrest
Vice President for Research

October 2008