

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

January 17, 2008

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and the Detroit Regional Chamber of Commerce

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. Daniel Little is both a member of the Board of Directors of the Detroit Regional Chamber of Commerce ("DRCC") and an employee of the University of Michigan ("University"). 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. Daniel Little, Chancellor, University of Michigan Dearborn, and Professor of Philosophy, is a member of the Board of Directors of the DRCC. DRCC desires to fund a research project at the University under the direction of Ray Metz, Chief of Staff, Dearborn Office of the Chancellor, University of Michigan.

Nature of the Project:

DRCC has applied for and received an award from the Michigan Department of Labor and Economic Growth for the purpose of investigating "Workforce Innovation in Regional Economic Development for Southeast Michigan (WIRED): Adults with a College Degree" and DRCC wishes to enter into a subcontract with the University to enable Mr. Metz to assist in the performance of this funded research.

Agreement Terms:

The terms of the Agreement conform to University policy. Mr. Metz will be Principal Investigator for the project at the University. The period of performance is three years at an estimated cost of \$756,000. 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 enables research to be performed to assist WIRED in Southeast Michigan with their mission to inspire and act upon regional aspirations for new opportunities and prosperity by: 1) creating the talent base for emerging and existing industries; 2) realigning assets and programs to promote entrepreneurship in the region; and 3) fostering a diversified economy through innovation.

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 the DRCC.

Respectfully submitted,



Stephen R. Forrest
Vice President for Research

January 2008