

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 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 Professor William Lekse, Assistant Professor of Management Studies, at the University of Michigan Dearborn.

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 "Entrepreneur Workshops: Workforce Innovation in Regional Economic Development for Southeast Michigan (WIRED)" and DRCC wishes to enter into a subcontract with the University of Michigan to enable Professor Lekse to assist in the performance of this funded research.

Agreement Terms:

The terms of the Agreement conform to University policy. Professor Lekse will be Principal Investigator for the project at the University. The period of performance is three years at an estimated cost of \$275,000. 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 the University to conduct a program designed to provide technology entrepreneurs with the knowledge and skill sets to develop a business model and strategy to advance the commercialization of technologies.

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,

A handwritten signature in black ink, appearing to read "Stephen R. Forrest", with a long horizontal flourish extending to the right.

Stephen R. Forrest  
Vice President for Research

January 2008