

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

EXH	MOTION <i>Newman</i>
	SECOND <i>Maynard</i>
	ACTION APPROVED BY THE REGENTS
NOTE: Between the University of Michigan and NeuroNexus	
MAR 17 2005	

Subject:

Subcontract Agreement

Action Requested:

Authorization to enter into an Agreement

Preamble:

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

This proposed Agreement falls under the State of Michigan Conflict of Interest Statute because Dr. Daryl Kipke, Dr. David J. Anderson and Ms. Jamille Hetke are Co-Founders of NeuroNexus and employees of the University. Dr. Kipke is also Acting President of NeuroNexus. 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:

The University of Michigan anticipates receiving an award from the Defense Advance Research Projects Agency (DARPA) for the project "Implantable Neural Interfaces for Sharks." The University wishes to provide a subcontract to NeuroNexus to enable the company to participate in the project. Dr. Kipke, Professor of Biomedical Engineering, will serve as the Principal Investigator on the UM project and Dr. Anderson, Professor of Biomedical Engineering, will serve as the Principal Investigator for NeuroNexus. Dr. Kipke will only participate in this project in his capacity as a University employee and Dr. Anderson will not participate in this project in his capacity as a University employee.

Nature of the Agreement:

The proposed research for DARPA includes a subcontract with NeuroNexus to provide management, technical support and developed hardware as required to meet the milestones referenced in the proposed research.

Agreement Terms:

It is anticipated that the normal contract terms and conditions will be set forth in the award from DARPA. The project at the University is anticipated to cover the period January 1, 2005 through December 31, 2009. The University's standard subcontract provisions will apply. Since research agreements are often amended, the subcontract will include provisions for changes in time, amount, and scope of the research. 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.

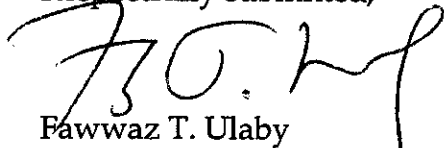
Impact of the Agreement:

The subcontract with NeuroNexus will allow the University of Michigan to meet the goals and objectives originally submitted, and revised February 2005, to DARPA.

Recommendation:

This Agreement has been reviewed and approved by the OVPR Conflict of Interest Review Committee. 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's entering into this Agreement with NeuroNexus.

Respectfully submitted,



Fawwaz T. Ulaby  
Vice President for Research

March 2005