

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

ACTION REQUEST

EXH	MOTION <i>Maynard</i>
	APPROVED BY THE REGENT <i>Milbrun</i>
NOTE	JUN 16 2005

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

Action Requested: Authorization to enter into 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. Islam is both an owner of the Company and an employee of UM. 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. Mohammed N. Islam, Professor, Department of Electrical Engineering and Computer Sciences (EECS), is sole owner of a for profit company, Omni Sciences Inc. (hereinafter "Company"). The Company wishes to enter into a research agreement 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 Research Office under the Small Business Technology Transfer Program Phase II.

Agreement Terms:

The terms of the proposed Agreement conform to University policy and will be conducted over a two year period at an estimated total cost of \$229,000. 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.

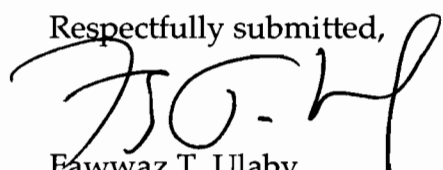
Impact of the Agreement:

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 was 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,

A handwritten signature in black ink, appearing to read 'F. Ulaby', written over the typed name.

Fawwaz T. Ulaby  
Vice President for Research

June 2005