

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

ACTION REQUEST

EXH	MOTION	Maynard
	DISCUSS	McBowan
	ACTION	APPROVED BY THE REGENT
NOTE	JUN 16 2005	

Subject: Permission to Install Agreement between the University of Michigan and Patmos FEA Consulting Corporation

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by DRDA while reviewing an agreement which then triggered a review by the Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflict of interest was developed by the board and agreed to by the parties involved in this project.

This proposed Permission to Install Software Agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Dr. Mark L. Palmer is both a University Research Fellow and a partial owner, director and officer of Patmos FEA Consulting Corporation ("Patmos"). 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.

Background:

Dr. Mark L. Palmer, Research Fellow in the Institute of Gerontology, is a partial owner, director and officer of Patmos, an Ann Arbor business (hereafter Patmos). Patmos and the University desires to enter into an Agreement to enable Patmos to install its proprietary software on a workstation in the laboratory that is under the supervision of Dr. John Faulkner, Professor of Biomedical Engineering and Physiology and Senior Research Scientist in the Institute of Gerontology.

Nature of the Agreement:

The proposed Agreement will be between Patmos and the Regents of the University of Michigan (UM) initially to provide the software for use at UM.

Agreement Terms:

Dr. Faulkner will oversee the use of the software by Dr. Palmer in his postdoctoral research. There is no charge to the University for the use of the software and no payments to be made to Patmos. The initial period of the Agreement is six months and will include a provision for extensions of the time period.

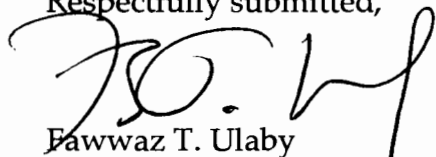
Impact of the Agreement:

The Agreement enables the postdoctoral research to be performed more efficiently without the need to purchase or develop appropriate software.

Recommendation:

This matter has been reviewed and approved by the Medical School Conflict of Interest Board and a plan has been developed to manage the potential risks associated with the conflict of interest. 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 the Permission to Install Software Agreement with Patmos FEA Consulting Corporation.

Respectfully submitted,



Fawwaz T. Ulaby
Vice President for Research

June 2005