

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents  
March 18, 2010

ACTION REQUEST

Subject: Research Contract Agreement between the University of Michigan and Astronautical Development, LLC

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 then triggered a review 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 and approved by the Committee and agreed to by the parties involved.

This proposed Research Agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor James Cutler is an employee of the University of Michigan ("University") and has equity in, is a member of the Scientific Advisory Board, and acts as a consultant to Astronautical Development, LLC. 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. James Cutler, Assistant Professor of Aerospace Engineering and Assistant Professor of Atmospheric, Oceanic and Space Science, College of Engineering, has an equity interest in, is a member of the Scientific Advisory Board of, and acts as a consultant to the Company, and will act as Principal Investigator for the work to be done at the University sponsored by Astronautical Development, LLC ("Company").

Nature of the Agreement:

The proposed project will be a contract between the Company and the University of Michigan to perform research that is being funded solely by the Company.

Agreement Terms:

The Agreement is to be funded over a twelve-month period with the total funding of \$50,000. The terms of the proposed Agreement will conform to

University policies, including those related to intellectual property and publication. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Impact of the Agreement:

The proposed Agreement will enable the University to participate in important research in the area advanced space communication systems including multipurpose ground station technologies which can improve utilization of current single purpose facilities and more economically increase data flow between satellites and ground stations.

Pecuniary Interest:

The pecuniary interests of Dr. Cutler arise from his equity interest and position as a member of the Scientific Advisory Board, and consultant to the Company.

Recommendation:

This matter 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 entering into this Agreement with Astronautical Development, LLC.

Respectfully submitted,



Stephen R. Forrest  
Vice President for Research

March 2010