

MARCH MEETING, 2014

*The University of Michigan
Ann Arbor
March 20, 2014*

The regents met at 3:15 p.m. in the Anderson Room, Michigan Union. Present were President Coleman and Regents Bernstein, Darlow, Deitch, Ilitch, Newman, Richner and White. Also present were Vice President and Secretary Churchill, Vice President Harper, Interim Vice President Hu, Chancellor Little, Vice President Lynch, Vice President May, Chancellor Person, Executive Vice President Pescovitz, Provost Pollack, Vice President Rudgers, Executive Vice President Slottow and Vice President Wilbanks. Regent Diggs was present via conference call.

Call to Order and President's Opening Remarks

President Coleman said that she was encouraged by Governor Snyder's budget proposal that includes a six percent increase for higher education. This will ultimately result in more affordable college costs for Michigan students and more innovation for the economy as investing in higher education is investing in job growth. She encouraged everyone to contact their state legislator and voice their support of this proposal.

President Coleman reported that she had attended the annual Honors Convocation, recognizing the University's highest-achieving students and the new Thurnau Professors. In addition, Lily Bonadonna was announced as the 2014 Wallenberg Fellow. She received a \$25,000 fellowship that she will use to travel to Peru to study the prevalence of tuberculosis from both the biological and cultural perspectives.

She announced that Ora Pescovitz, executive vice president for medical affairs, will step down on June 1 after leading the Health System for five years. She thanked Vice President Pescovitz for her leadership and commitment to exceptional medical care, education and

research, citing the excellent patient satisfaction scores are and the tremendous growth of the Health System.

Turning to the agenda, President Coleman welcomed Janet Weiss, dean of the Rackham School of Graduate Studies for a presentation on graduate education.

Presentation: Graduate Education

Dean Weiss began by saying that last year UM granted 850 Ph.Ds., second only to UC-Berkeley, and there are currently 5,500 students working towards a graduate degree. She referred to the Rackham School goals, including success in competing for talent, maintenance of diversity, high completion rates, graduate preparation, and continuously striving for cutting edge scholarship and education. Beyond course grades, graduate students learn by doing scholarly research and by developing good research topics and questions. With a median time of 5.4 years for completing a graduate degree, financial support allows students focus on their education. The Rackham School continues to become more selective in admissions, and was fifth nationally in number of African American Ph.D. recipients between 2008-12.

President Coleman asked about efforts to recruit underrepresented students. Dean Weiss said that diversity is a high priority, and they utilize a number of different avenues to identify and recruit students they believe can succeed at Michigan.

Regent Richner asked how the Rackham School compares in terms of placement with peer institutions. Dean Weiss said that there is no good comparative data. There are some peer exchanges and stories in *The Chronicle*, but the Michigan data is the best data available on placement.

Presentation: Annual Research Report

President Coleman introduced Interim Vice President for Research Jack Hu, who presented the annual research report. He began by stating that graduate education and research are inseparable, and both support interdisciplinary study and partnerships. Research expenditures for 2013 totaled \$1.3 billion, making UM the number one public university, and number two among all universities, in a climate of declining federal support.

He continued, saying that an important component of research is ensuring that discoveries ultimately benefit society. Ideas are translated into inventions and then into businesses, and in return they bring value back to the University.

Interim Vice President Hu spoke of a UM graduate student during the 1950's, Hunein Maassab, who participated in field trials on the effectiveness of the polio vaccine. Motivated by the success of this experience, and after a lifetime of dedicated research, his hard work led to approval by the Food and Drug Administration of a new nasal-spray flu vaccine in 2002. That vaccine carries the brand name of the FluMist. Dr. Maassab is an outstanding example of how inspiration, passion and dedication to research can lead to benefits for society. UM is very proud of his achievement and his lasting legacy.

Interim Vice President Hu introduced another distinguished researcher, Professor Shaomeng Wang, recipient of the Distinguished University Innovator Award for 2014, an award that honors faculty who have made important and lasting contribution to society by developing novel ideas and insights through their research, and then translating them to practice. Professor Wang is the Warner-Lambert/Parke-Davis Professor of Medicine and professor of internal medicine and pharmacology in the Medical School, and professor of medicinal chemistry in the College of Pharmacy. He also is director of the Center for Discovery of New Medicines. His

work has led to 67 new invention disclosures resulting in 33 issued U.S. patents, and four license agreements. He is also co-founder of three start-ups.

Interim Vice President Hu spoke of the Mobility Transformation Center, which involves creating a facility and partnering with government and industry in transforming the movement of people and goods. This initiative will position UM as a regional and international leader in the future of transportation.

Public Comment

Regents heard comments from the following individual on the topic listed: Doug Smith, on the February 20 minutes.

Committee Reports

Finance, Audit and Investment Committee. Regent Richner, chair of the Finance, Audit and Investment Committee, and Regents Bernstein and Darlow met with Vice President Slottow and Nancy Hobbs, interim associate vice president for finance, Jeff Moelich, executive director of university audits, Cheryl Soper, university controller, and external auditors from PricewaterhouseCoopers for a review of the external FY13 OMB Circular A-133 Audit of federal grants, which will be publicly available by the end of the month. The committee also heard from Erik Lundberg, chief investment officer, for an analysis of internal and external investment costs including oversight, custody of assets and fees for investment managers and brokers.

Health Affairs Committee. Regent Ilitch thanked Dr. Pescovitz for her work on behalf of the Health system over these past five years, saying she is a talented individual who will be missed. She reported that she and committee members Regent Deitch and Regent Diggs

received an update on strategic initiatives. Doug Strong, CEO of the UMHHC, provided an overview of the last HHC Executive Board meeting. The committee received an update from Paul Castillo, CFO of the Health System, and reviewed UMHS financial results, and benefit changes. The committee heard a compliance update with Jeanne Strickland, chief compliance officer, on the Affordable Care Act and the Open Payments Act.

A fact sheet on the cardiovascular disease, research, care and training was shared and indicating that just under 60,000 patients came to UM clinics in the past fiscal year. Vice President Pescovitz noted that the UMHHC Capital Campaign kicks off with a special event on April 26.

Personnel, Compensation and Governance Committee. Regent Newman, co-chair of the Personnel, Compensation and Governance Committee, reported that she and Co-chair Regent White were joined by Chancellor Little for an update on Dearborn campus, Provost Pollack for an update on dean searches, and President Coleman for an update on the Flint Chancellor search. Dean MacKie-Mason presented an institutional quality report on the School of Information, which will be presented at the April Regents' meeting. The committee received an update on the Civil Rights investigation from Vice Presidents Lynch and Harper, followed by a diversity update from Provost Pollack and Vice President Harper. Vice President Churchill provided a review of the public comments policy and the committee calendar.

Consent Agenda

Minutes. Vice President Churchill submitted for approval the minutes of the meeting of February 20, 2014.

Reports. Executive Vice President Slottow submitted the Investment Report as of January 31, 2014 and the Plant Extension Report. There was no University Human Resources Report.

Litigation Report. Vice President Lynch submitted the Litigation Report.

Research Report. Interim Vice President Hu submitted the Report of Projects Established, July 1 – February 28, 2014.

University of Michigan Health System. Executive Vice President Pescovitz thanked Regent Ilitch for her warm comments. She thanked President Coleman for hiring, coaching, mentoring and supporting her. Executive Vice President Pescovitz said, “It has been a rare privilege during my time here. We really have a phenomenal institution in the UM Health System, and the reason is because of the extraordinary people who do phenomenal work.” She acknowledged the executive officers, and regents, and thanked them for their time, expertise and support.

Student Life. Vice President Harper had no additional report.

University of Michigan-Flint. Chancellor Person had no report.

University of Michigan-Dearborn. Chancellor Little spoke to the appointment of Tony England, dean, College of Engineering and Computer Science, and also Kate Davy, as provost, and vice chancellor for academic affairs, who is being recommended for appointment to a second term. He also noted a new Robotics Engineering program is getting a great deal of media attention.

Central Student Government Report. Central Student Government (CSG) President Michael Proppe said, “At our assembly meeting on Tuesday night, the representatives of the assembly voted to indefinitely postpone assembly resolution 3-050, a resolution for UM to divest

from socially irresponsible companies that violate Palestinian human rights. A student group, Students Allied for Freedom and Equality (SAFE), brought the resolution forward. A majority of the assembly members voted not to vote on the resolution, arguing that divestment was outside of the scope of CSG business. This group, through CSG, effectively stated that debating and voting on these student concerns was outside the scope of CSG.” He said that, as a result, the 250 students present and the 36 organizations that co-signed the resolution feel that CSG is unwilling to listen to their concerns. He continued, “While I don’t vote on the assembly, I do regret the aftermath of this vote. I do not want, and members of CSG do not ever want, any student to feel their elected representative will not listen.” He said that the leaders of CSG and SAFE are meeting regularly and working to find a solution.

He continued, providing an update on the new student football ticket policy that will end general admission seating beginning with the 2014 season. The new policy addressed the top student concerns about seating groups, phasing the policy changes in over time, and eliminating the need for students to wait in line for hours in order to get a great seat. Response to the policy been very positive, and the process has received national attention, with the Bleacher Report citing it as “a creative solution to a national problem that other schools should consider implementing. Interestingly, it appears Michigan’s new policy came from a close working relationship with its student government, going to show that perhaps administrators don’t have all the answers.”

Mr. Proppe noted CSG’s work, the work with the #BBUM (Being Black at the University of Michigan) movement, and the CSG resolution in support of these students. He said, “The issue of diversity and inclusion on campus is fundamental to our identity as an institution of

higher education. We are not yet where we need to be but students are meeting regularly with top administrators to discuss new and creative strategies and it is encouraging.”

He reported on student safety issues, including the Night Owl off-campus bus service, which has had a total of 3,500 riders during the first six weeks of services, and a new student designed Safe Ride app, which alerts students when their late-night ride home has arrived to pick them up. Mr. Proppe encouraged ongoing student engagement in developing and revising new policies, and said that he said he looked forward to introducing the new CSG leadership at the April meeting.

Regent Darlow said, “We are so impressed with the deliberative, constructive, consultative, inclusive way you have gone about addressing the issues, and including the students. We have all learned from you this year and I want to express my personal appreciation for your work.”

Regent Newman agreed and added, “We have worked with a lot of student leaders and you are a very, very good leader. You work very inclusively, you are prodigious, you are tenacious in a nice way, and I’ve been very impressed watching you this year. You have achieved a lot, and you were handed some things you didn’t expect when you were running for office, most notable the seating for football, and you handled it very graciously and nicely. I do think you are right, and there are times when students and administrators can get more done working together than just administrators making decisions.”

Regents Bernstein said, “You are right. Administrators don’t have all the answers. Regents don’t have all the answers. None of us do. I echo what my colleagues have said. You have done a remarkable job as a student president, and Bobby as well. I remember joining the

board with Manish Parikh as the President thinking that he was fantastic, and you had big shoes to fill. You filled them and whomever gets elected next has a big act to follow.”

Voluntary Support. Vice President May submitted a report for February 28, 2014.

Personnel Actions/Personnel Reports. Provost Pollack had no additional report.

Retirement Memoirs. Vice President Churchill submitted two faculty retirement memoirs.

Memorials. Vice President Churchill reported that no deaths of active faculty members were reported to the regents this month.

Degrees. President Coleman submitted the recommendations for recipients of honorary degrees: Jose Antoinio Abreu, Doctor of Music; Mary Barra, Doctor of Engineering; James L. Curtis, Doctor of Science; Adele Goldberg, a Doctor of Science; Daniel Okrent, a Doctor of Humane Letters; and Marshall Weinberg, Doctor of Laws.

Approval of Consent Agenda. On a motion by Regent Ilitch, seconded by Regent Newman, the regents unanimously approved the consent agenda.

Alternative Asset Commitments

Executive Vice President Slottow reported on the University’s follow-on investments with previously approved partnerships, Odyssey Investment Partners Fund V, L.P., with a commitment of \$40 million, and MHR Institutional Partners IV, L.P., with a commitment of \$75 million.

Alternative Asset Commitment

On a motion by Regent Newman, seconded by Regent Richner, a commitment of \$10 million from the Long Term Portfolio with Terranum Hotels, commitment of C\$4 million from

the Long Term Portfolio to Aspenleaf Energy Limited; and Deerfield Private Design Fund III, L.P., with a commitment of \$30 million from the Long Term Portfolio.

Art and Architecture Building Renovation and Addition Project

On a motion by Regent Darlow, seconded by Regent Richner, the regents unanimously approved the Art and Architecture Building Renovation and Addition Project as described, and authorized commissioning Integrated Design Solutions and Preston Scott Cohen for its design.

Building Naming

Vice President May expressed his deep appreciation to Dean Monica Ponce de Leon for taking a project to a new level, including a partnership with Alfred Taubman, and his second leadership gift to this college. He relayed a story about scholarship recipient, Tyler Sumula, from Jackson, Michigan, who applauded the valuable real-world experience he earned while interning at Walt Disney World, and who credited his educational success to the scholarship support he was fortunate to receive.

Regent Newman said that the personal stories resonated, and she encourage using testimony of these young people during the campaign. Campaigns sometimes become buildings and research, but it really is about scholarship, and it is important to get that message across, which comes through when you hear the amazing testimony from students.

Regent Richner added, “Mr. Taubman truly is an extraordinary person, and has been generous not only to UM, but to many organizations in this state, and so many have benefitted from his philanthropy. I’m pleased to have this opportunity to honor Mr. Taubman.”

On a motion by Regent Richner, seconded by Regent Newman, the regents unanimously approved naming the addition of the Art and Architecture Building as the A. Alfred Taubman Wing.

George Granger Brown Memorial Laboratories Renovation

On a motion by Regent Bernstein, seconded by Regent Richner, the regents unanimously authorized issuing the George Granger Brown Memorial Laboratories Renovation project for bids and awarding construction contracts providing that bids are within the approved budget.

Mobility Transformation Facility

Interim Vice President Hu said that this project is unique, and a number of companies have already expressed interest in using the facilities.

On a motion by Regent White, seconded by Regent Ilitch, the regents unanimously approved the schematic design for the Mobility Transformation Facility project as presented and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Horace H. Rackham School of Graduate Studies Infrastructure Improvements

On a motion by Regent White, seconded by Regent Ilitch, the regents unanimously approved the Horace H. Rackham School of Graduate Studies Infrastructure Improvements project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Harrison M. Randall Laboratory Air Handling Upgrades

On a motion by Regent Richner, seconded by Regent Bernstein, the regents unanimously approved the Harrison M. Randall Laboratory Air Handling Upgrades project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

University of Michigan Hospitals and Health Centers C.S. Mott Children’s and Von Voigtlander Women’s Hospital Shell space Utilization for the New Operating Room

On a motion by Regent White, seconded by Regent Bernstein, the regents unanimously approved the University of Michigan Hospitals and Health Centers C.S. Mott Children’s and Von Voigtlander Women’s Hospital Shell Space Utilization for the New Operating Room project as described, authorized commissioning the architectural firm HKS for its design, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Stephen M. Ross School of Business Kresge Business Administration Library Renovation, Computer and executive Education Building Demolition, New Academic Building, and Exterior Cladding Project

On a motion by Regent White, seconded by Regent Ilitch, the regents unanimously authorized awarding limited construction contract for the work described in the Regents Communication for the Stephen M. Ross School of Business Kresge Business Administration Library Renovation, Computer and Executive Education Building Demolition, New Academic Building, and Exterior Cladding Project providing that bids are within the approved budget.

Conflict of Interest Items

President Coleman said the agenda includes 11 conflict of interest items, each of which requires six votes for approval and which would be approved by a single motion.

On a motion by Regent Richner, seconded by Regent Darlow, the regents unanimously approved the following 11 items:

Authorize Execution of Investment Agreements Under the MINTS Program for PsiKick, Inc.

The Regents unanimously authorized the execution of agreements between the University of Michigan and PsiKick, Inc. (the “Company”) under the guidelines for the MINTS (Michigan Investment in New Technology Startup) program.

Because Associate Professor David D. Wentzloff, University of Michigan employee, is also a partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and PsiKick, Inc.
2. The University will receive an equity interest in the entity in return for its investment(s). No use of University services or facilities, nor any assignment of University employees is obligated or contemplated under the Agreement. Under MINTS, the University must co-invest in a financing round together with at least one Qualifying Venture Capital Investment Firm. Agreements standard for venture capital investing will be executed. The Investment Office may execute finance agreements up to a total of \$2.5 million in potential investments (through one or more rounds of financing) under MINTS.
3. The pecuniary interest arises from the fact that University of Michigan employee, Associate Professor David D. Wentzloff, is also a partial owner of PsiKick, Inc.

Authorization for the University to Purchase from Elxis S.A.

The Regents unanimously authorized the University to purchase from Elxis S.A. (the “Company”) a networking platform for the field of geotechnical engineering.

Because Dimitrios Zekkos, University of Michigan employee, is also the owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and its Civil and Environmental Engineering Department and Elxis S.A.
2. The agreement is for a one time purchase of a networking platform with features that would meet the needs of the Women-Water Nexus program for a total cost of \$4,500.

3. The pecuniary interest arises from the fact that University of Michigan employee, Dimitrios Zekkos, is also owner of Elxis S.A.

Authorization for the University of Michigan to transact with the Institute for Social and Environmental Research Nepal

The Regents unanimously approved an agreement with the, LLC (the “Company”) for additional services, including costs for infrastructure, research expenses for interviewers and data collection, and conversion of data files to digital in Nepal through June 30, 2015.

Because Dirgha Jibi Ghimire, University of Michigan employee, is also a member of the Board of Directors of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the contract are the Regents of the University of Michigan and its Institute for Social Research and Institute for Social and Environmental Research- Nepal (ISER-N).
2. The agreement is for additional transactions with ISER-N for infrastructure, research expenses for interviewers and data collection, and conversion of data files to digital in Nepal through June 30, 2015. This request is based on ISR’s revised projections of upcoming projects with ISER-N totaling \$100,000.
3. The pecuniary interests arise from the fact that University of Michigan employee Dirgha Jibi Ghimire is a member of the Board of Directors of ISER-N.

License Agreement between the University of Michigan and Arbor Semiconductor Corporation

The Regents unanimously approved an agreement with Arbor Semiconductor Corporation (the “Company”) to license from the University of Michigan the University’s rights associated with the following technologies: UM OTT File No. 5937, entitled: “Novel Robust 13T SRAM Cell for Improving Write Margin in Ultra-Low Power Applications,” and UM OTT File No. 6054, entitled: “9T and 11TSRAM Cells with Improved Write Noise Margin.”

Because University of Michigan employee, Pinaki Mazumder, is partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Arbor Semiconductor Corporation.
2. Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay a royalty on sales and reimburse patent costs. The University may receive equity in the Company, along with the right to purchase more equity. The University will retain ownership of the licensed technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimer of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Dr. Mazumder arise from his ownership interest in the Arbor Semiconductor Corporation.

License Agreement between the University of Michigan and Collabrify.It, Inc.

The Regents unanimously approved an agreement with Collabrify.It, Inc. (the “Company”) to license from the University of Michigan the University’s rights associated with the following technologies: UM OTT File No. 5749, entitled: “Collabrify 2.0.”

Because University of Michigan employee, Professor Elliot Soloway, is partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Collabrify.It, Inc.
2. Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay a license fee and royalties. The University may receive equity in the Company, along with the right to purchase more equity. The University will retain ownership of the licensed technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimer of warranties and indemnification apply, and the

Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

3. The pecuniary interests of Professor Elliot Soloway arise from his ownership interest in Collabrify.It, Inc.

Subcontract Agreement between the University of Michigan and FlexDex, LLC

The Regents unanimously approved an agreement with FlexDex, LLC (the “Company”) to fund an NSF (prime) SBIR Phase II project entitled: “Enhanced Dexterity Minimally Invasive Surgical Platform-Phase II,” (ORSP# 14-PAF04263) in the Department of Surgery.

Because Professors James Geiger and Shorya Awtar, University of Michigan employees, are both partial owners of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and FlexDex, LLC.
2. The terms of the Agreement conform to University policy. The period of performance for the project is approximately twenty-four (24) months, and the amount of funding support is anticipated at \$65,035. Since research projects are often amended, these agreements include provisions for changes in time, amount, and scope of each supported project. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Professors Geiger and Awtar arise from their ownership interest in FlexDex, LLC.

Subcontract Agreement between the University of Michigan and HIPERNAP LLC

The Regents unanimously approved an agreement with HIPERNAP LLC (the “Company”) to fund an NSF (prime) SBIR Phase II project entitled: “Next Generation Nanopositioning Systems for High Throughput Industrial Meterology and Inspection,” (ORSP# 14-PAF04420) in the Department of Mechanical Engineering.

Because Professor Shorya Awtar, University of Michigan employee, is also a partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and HIPERNAP LLC.
2. The terms of the Agreement conform to University policy. The period of performance for the project is approximately twenty-four (24) months. The amount of funding support will not exceed \$191,957. Since research projects are often amended, these agreements include provisions for changes in time, amount, and scope of each supported project. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interest of Professor Awtar arises from his ownership interest in HIPERNAP LLC.

License Agreement between the University of Michigan and HygraTek LLC

The Regents unanimously approved an agreement with HygraTek LLC (the “Company”) to license from the University of Michigan the University’s rights associated with the following technologies: UM OTT File No. 4695, entitled: “Membranes for Liquid-Liquid Separation.”

Because University of Michigan employee, Professor Anish Tuteja, is a partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and HygraTek LLC.
2. Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay a royalty on sales and reimburse patent costs. The University may receive equity in the Company, along with the right to purchase more equity. The University will retain ownership of the licensed technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimer of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Professor Tuteja arise from his ownership interest in the HygraTek LLC.

License Agreement between the University of Michigan and HygraTek LLC

The Regents unanimously approved an agreement with HygraTek LLC (the “Company”) to license from the University of Michigan the University’s rights associated with the following technologies: UM OTT File No. 5319, entitled: “Electric field Driven On-Demand Separation of Oil-Water Mixtures, ” and UM OTT File No. 5826, entitled: “Silane Based Surfaces with Extreme Wettabilities.”

Because University of Michigan employee, Professor Anish Tuteja, is a partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and HygraTek LLC.
2. Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay royalties and reimburse patent costs. The University may receive equity in the Company, along with the right to purchase more equity. The University will retain ownership of the licensed technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimer of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Professor Tuteja arise from his ownership interest in the HygraTek LLC.

Option Agreement between the University of Michigan and Nanova, Inc.

The Regents unanimously approved an agreement with Nanova, Inc. (the “Company”) to option from the University of Michigan the University’s rights associated with the following technologies: UM OTT File No. 4264, entitled: “Antimicrobial Agents,” and UM OTT File No. 5198, entitled: “Methods and Compositions for Treatment of Bacterial Infection.”

Because Professors David Ginsburg and Scott Larsen, University of Michigan employees, are also partial owners of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Nanova, Inc.
2. Agreement terms include granting the Company an exclusive option to obtain an license with the right to grant sublicenses in the field of use of treatment of biofilms. The Company will pay a portion of patent expenses and obtain evaluation rights. The University will retain ownership of the optioned technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimers of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Drs. Ginsburg and Larsen arise from their ownership interest in Nanova, Inc.

License Agreement between the University of Michigan and Rubicon Genomics

The Regents unanimously approved an agreement with Rubicon Genomics (the “Company”) to license from the University of Michigan the University’s rights associated with the following technologies: UM OTT File No. 1335, entitled: “Improved Methods for Sequencing Nucleic Acids,” UM OTT File No. 1487, entitled: “Random Break Incorporation Sequencing,” and UM OTT File No. 1727, entitled: “Positional Amplification of DNA.”

Because Professors Arul Chinnaiyan and Michael Boehnke, University of Michigan employees, are also a partial owners of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Rubicon Genomics.

2. Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay a royalty on sales and reimburse patent costs. The University will retain ownership of the licensed technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimers of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Drs. Chinnaiyan and Boehnke arise from their ownership interest in Rubicon Genomics.

Approval of Discontinuance of the Physical Education major, minor and Health Education minor

Provost Pollack said, “After a thorough review, the School of Kinesiology requests the discontinuance of the Physical Education major and minor, and Health Education minor. Students currently enrolled in Physical Education or Health Education will have the ability to complete their respective classes and curriculum. Future students may enroll in the Health and Fitness Leadership major. The program discontinuance has received approval from the executive committee and faculty of the School of Kinesiology.”

On a motion by Regent Bernstein, seconded by Regent White, the regents unanimously approved the discontinuance of the Physical Education major, minor and Health Education minor.

Approval of an Administrative Appointment

On a motion by Regent White, seconded by Regent Richner, the regents unanimously approved appointment of Michael M.E. Johns, M.D., as interim executive vice president for medical affairs, effective June 2, 2014, as recommended.

Public Comments

Regents heard comments from the following individuals on the topics listed: Scott Bloomberg, student, on divestment from coal and oil equities and debt instruments; Aaron Schaer, student, on divestment from coal and oil equities and debt instruments; Laura Hobbs, student, proposal for responsible divestment from fossil fuels; Meghana Kulkarni, student, on the need for peer facilitated bystander intervention workshops; Isa Gaillard, student, on the powwow; Sarah Ballew, student, on the Dance for Mother Earth Powwow; Michelle Saboo, alumna and student, on the status and needs of Native American community on campus; Joseph Semana, citizen, on affirmative action; and Rae Scevers, student, on a request for an investigation and dialogue.

Adjournment

There being no further business, the meeting was adjourned at 5:15 p.m. The next meeting will take place on April 17, 2014.