

**THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION**

**Approved by the  
Regents  
April 16, 2015**

**ACTION REQUEST**

**Subject:** Regental Action Required Under the State of Michigan Conflict of Interest Statute

**Action Requested:** Authorization for the University to transact with Akadeum Life Sciences, LLC (University of Michigan Employee, John Younger, Owner)

**Background:**

Since August 2014, eight (8) University of Michigan Departments have sought Regental approval to transact with Akadeum Life Sciences, LLC. (“Akadeum”) for the purchase of 13 kits containing glass microbubbles coated with Streptavidin. This Regental Action Request (“RAR”) is submitted in anticipation of future requirements from multiple individual departments that would otherwise continue to require multiple separate RARs. To address the future demand for these products a product purchase agreement is being sought between the Regents of the University of Michigan and Akadeum.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as John Younger is a University employee as Professor of Emergency Medicine in the Medical School and would be party to the agreement as Owner of Akadeum.

However, the Statute allows the University to enter into such agreements if the following conditions are met:

- a) The public servant promptly discloses any pecuniary interest in the contract to the official body which has power to approve the purchase, which disclosure shall be a matter of record in its official proceedings.
- b) The purchase is approved by a vote of not less than 2/3 of the full membership of the approving body in open session without the vote of the public servant making the disclosure.
- c) The official body discloses the following summary information in its official minutes:
  - i) The name of each party involved in the contract.
  - ii) The terms of the purchase, including duration, financial consideration between the parties, facilities or services of the public entity included in the purchase, and the nature and degree of assignment of employees of the public entity for fulfillment of the purchase.
  - iii) The nature of any pecuniary interest.

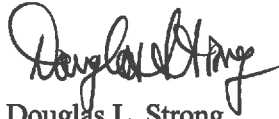
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and multiple University Departments and Akadeum.
- ii) The Product Purchase Agreement is for the purchase of kits containing glass microbubbles coated with Streptavidin to be used in experiments. The term of the agreement is one year for a total cost of \$8,600.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, John Younger, is the Owner of Akadeum.

John Younger has met state law requirements with the disclosure of his pecuniary interest and formal appointment arrangements with the University of Michigan. Requirements, if any, that may be applicable under the Medical School's or OVPR's Conflict of Interest Committee's procedures are separately analyzed and managed.

We recommend that the Board of Regents approve the agreement between the University of Michigan and Akadeum subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Douglas L. Strong  
Interim Executive Vice President  
and Chief Financial Officer

April 2015