

**THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION**

**Approved by the  
Regents  
May 21, 2015**

**ACTION REQUEST**

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

**Action Requested:** Authorization for the University to enter into an agreement with MicroKosmos, LLC (University of Michigan Employee, Nikolaos Chronis, Owner)

**Background:**

The University of Michigan Life Sciences Institute seeks approval to enter into an agreement with MicroKosmos, LLC ("MicroKosmos") to purchase microfluidic chips to be used in research. These chips will be used for imaging of neuronal and behavioral activity in *C. elegans* worms.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Nikolaos Chronis is a University employee as Associate Professor in the Department of Mechanical Engineering and would be a party to the contract as Owner of MicroKosmos.

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.

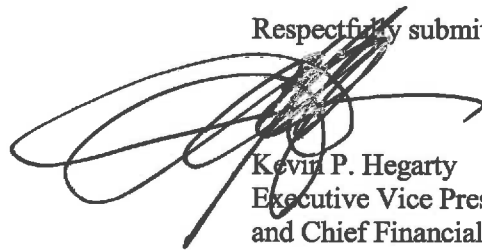
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Life Sciences Institute and MicroKosmos.
- ii) The agreement is the purchase of up to 100 microfluidic chips per year for three years at a total cost not to exceed \$6,000.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Nikolaos Chronis, is Owner of MicroKosmos.

Nikolaos Chronis 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 MicroKosmos subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kevin P. Hegarty', is written over the typed name and title.

Kevin P. Hegarty  
Executive Vice President  
and Chief Financial Officer

May 2015