MASTER AGREEMENT BETWEEN THE UNIVERSITY OF MICHIGAN AND SARCOMA ALLIANCE FOR RESEARCH THROUGH COLLABORATION

ACTION REQUEST

Subject: Master Agreement between the University of Michigan and Sarcoma Alliance for Research Through Collaboration

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by the Division of Research Development and Administration while reviewing the Proposal Approval Form. This 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 master agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Dr. Laurence Baker is both an employee of the University of Michigan ("University") and President of the Sarcoma Alliance for Research through Collaboration (SARC). 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. Laurence Baker, Professor of Internal Medicine, Division of Hematology/Oncology and Director for Clinical Research, Comprehensive Cancer Center, is both an employee of the University and Co-Founder, Executive Director, President and Director of SARC, a non-profit research corporation located in Ann Arbor. SARC is funded primarily by contracts and gifts. Dr. Baker receives no compensation from SARC and has no financial interest in SARC. SARC wishes to have the University participate in various projects that SARC will support independently, from grants from federal agencies, or from research projects funded by industry sponsors. The role of Dr. Baker in each project will be described in a project statement and a conflict of interest management plan.

Agreement Terms:

The University will enter into a master agreement with the Company that will cover standard procedures for performance of projects as well as provisions implementing University and federal policies related to intellectual property and
publication. The master agreement will cover an initial five-year period with a total authorization not to exceed $500,000. The University will use standard sponsored project accounting procedures to determine the cost of each project. Budgets will be reviewed and approved by authorized representatives of each department and school/college where projects are to be performed. SARC has supported fourteen projects at the University since its inception. The master agreement will allow the University and the Company to specify projects that the University will conduct under the terms of the master agreement. Since research projects are often amended, the master agreement includes provisions for changes in time, amount, and scope of each supported project. University procedures for approval of each project will be followed and additional review by the Medical School Conflict of Interest Board will be done on a project-by-project basis.

Impact of the Agreement:

The master agreement will enable research to be performed in a timely manner and to explore and further develop treatments and therapies related to various sarcomas.

Recommendation:

These matters will be reviewed by the Medical School Conflict of Interest Board, and a plan will developed to manage the potential conflict of interest risks associated with each project that will be implemented under the terms of the master agreement prior to the University’s acceptance of any individual project. In light of the disclosure made in this document and our finding that the master agreement is negotiated in conformance with standard University practices, I recommend that the Board of Regents approve of the University entering into this master agreement with Sarcoma Alliance Research through Collaboration.

Respectfully submitted,

Stephen R. Forrest
Vice President for Research

September 2008