

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

Approved by the Regents  
May 14, 2009

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  
Biodiscovery-llc d/b/a MYcroarray.com  
(University of Michigan Employee Erdogan Gulari, Partner)

Background:

The University of Michigan College of Engineering Department of Chemical Engineering seeks approval to enter into an agreement to purchase custom made microarrays from Biodiscovery-llc d/b/a MYcroarray.com ("MYcroarray.com"). Microarrays are used to measure or detect certain types of DNA or RNA. MYcroarray.com was selected to provide the microarrays because it was specified in the research grant proposal and is the only provider of the required custom microarray.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Erdogan Gulari is a University employee and would be a party to the contract as a partner of MYcroarray.com. The Statute allows the University to enter into such contracts 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.

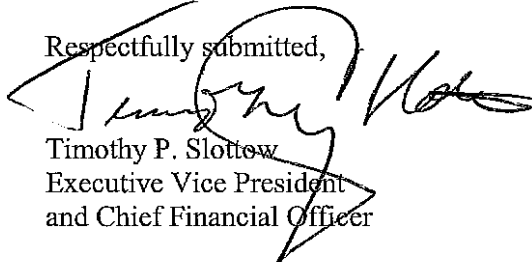
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its College of Engineering Department of Chemical Engineering and Biodiscovery-llc d/b/a MYcroarray.com.
- ii) The agreement is for the purchase of custom made microarrays for the organism Burkholderia cenocepacia. The microarrays will be purchased in batches of 25 due to customization intervals as required by the progression of the research. The estimated cost of the microarrays is \$228 per unit with minimal shipping expense. The agreement is not to exceed \$50,000 in total through 2011.
- iii) The pecuniary interest arises from the fact that University of Michigan employee Erdogan Gulari, Professor in the Department of Chemical Engineering and Macromolecular Science and Engineering, is a partner of MYcroarray.com.

Erdogan Gulari has met state law requirements with the disclosure of his pecuniary interests 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 Biodiscovery-llc d/b/a MYcroarray.com, subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Timothy P. Slottow  
Executive Vice President  
and Chief Financial Officer

May 2009