

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

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

Action Requested: Authorization for the University to purchase from Innovative Technology  
Consulting, LLC (University of Michigan Employee, Mark Cohen, M.D., CEO)

Background:

The University of Michigan Department of Urology Translational Oncology Program seeks approval to purchase from Innovative Technology Consulting, LLC ("Innovative") for expert advice and guidance on the purification and development of naturally produced sesquiterpene lactones from plants of the genus *Ambrosia*, as well as guidance and expertise in the material preparation of nano-particle delivery of the compounds in *in vivo* models of human cancer.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Mark Cohen, M.D. is a University employee as Associate Professor of Surgery and Associate Professor of Pharmacology with the Department of Surgery at the Medical School and would be a party to the contract as CEO of Innovative.

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.

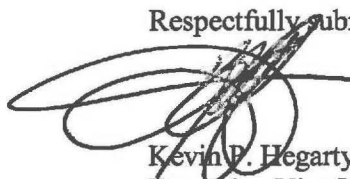
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Department of Urology and Innovative.
- ii) The agreement is to provide consulting services regarding natural product drug development for a duration of two years at a cost of \$24,000.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Mark Cohen, M.D., is CEO of Innovative.

Mark Cohen, M.D. 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 Innovative 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 printed name and title.

Kevin P. Hegarty  
Executive Vice President  
and Chief Financial Officer

May 2016