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 enter into a contract with Imbio, LLC

Background:

The University of Michigan (University) Medical School, through its Radiology Department, seeks approval to enter into a contract with Imbio, LLC for the purpose of collaboration under a sponsored project.

The proposed contract falls under the State of Michigan Conflict of Interest Statute as University employee Alnawaz Rehemtulla is member on Imbio’s Scientific Advisory Board, University employee Brian Ross has equity interest in Imbio and interest in intellectual property licensed to Imbio, University employee Thomas Chenevert has interest in intellectual property licensed to Imbio, University employee Craig Galban has interest in intellectual property licensed to Imbio, University employee Heather Knauer has interest in intellectual property licensed to Imbio, University employee Nicholas Burris has interest in intellectual property licensed to Imbio, University employee Ella Kazerooni has interest in intellectual property licensed to Imbio, University employee Benjamin Hoff has interest in intellectual property licensed to Imbio, and University employee Jeffrey Fessler serves Imbio in a consultant/advisory role.

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 contract, which disclosure shall be a matter of record in its official proceedings.

b) The contract 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 contract, 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 contract.

   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 Medical School through its Radiology Department, and Imbio LLC.

ii) The contract is for Imbio, LLC to provide sponsored research collaboration under National Institutes of Health project titled “An Early Imaging Marker of Emphysema”. The performance period is anticipated to be May 28, 2019 through April 30, 2023, and is estimated not to exceed $200,690. The terms of the contract will comply with appropriate University requirements. Since projects are often amended, the contract will include provisions for changes in time, amount, and scope.

iii) The pecuniary interest arises from the fact that University employee Alnawaz Rehemtulla is member on Imbio’s Scientific Advisory Board, University employee Brian Ross has equity interest in Imbio and interest in intellectual property licensed to Imbio, University employee Thomas Chenevert has interest in intellectual property licensed to Imbio, University employee Craig Galban has interest in intellectual property licensed to Imbio, University employee Heather Knauer has interest in intellectual property licensed to Imbio, University employee Nicholas Burris has interest in intellectual property licensed to Imbio, University employee Ella Kazerooni has interest in intellectual property licensed to Imbio, University employee Benjamin Hoff has interest in intellectual property licensed to Imbio, and University employee Jeffrey Fessler serves Imbio in a consultant/advisory role.

Alnawaz Rehemtulla, Brian Ross, Thomas Chenevert, Craig Galban, Heather Knauer, Nicholas Burris, Ella Kazerooni, Benjamin Hoff, and Jeffrey Fessler have met state law requirements with the disclosure of their pecuniary interest and formal appointment arrangements with the University. Requirements, if any, that may be applicable by the supervisors of Alnawaz Rehemtulla, Brian Ross, Thomas Chenevert, Craig Galban, Heather Knauer, Nicholas Burris, Ella Kazerooni, Benjamin Hoff, and Jeffrey Fessler or UMOR’s Conflict of Interest Committee’s procedures are separately analyzed and managed.

We recommend that the Board of Regents approve the University enter into a contract with Imbio, LLC, subject to requirements, if any, that the supervisors of Alnawaz Rehemtulla, Brian Ross, Thomas Chenevert, Craig Galban, Heather Knauer, Nicholas Burris, Ella Kazerooni, Benjamin Hoff, and Jeffrey Fessler or UMOR’s Conflict of Interest Committee may impose.

Respectfully submitted,

Kevin P. Hegarty
Executive Vice President
and Chief Financial Officer

June 2020