

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

ACTION REQUEST

Subject: Master Research Agreement between the University of Michigan and Arbor Research Collaborative for Health

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 proposed agreement. This then triggered a review by the OVPR Conflict of Interest Review Committee and the Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflicts of interest will be developed and approved by the OVPR Conflict of Interest Review Committee and/or the Medical School Conflict of Interest Board and agreed to by the parties involved.

This proposed master agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Dr. Robert Merion is both an employee of the University of Michigan ("University") and President and a member of the Board of Director's of Arbor Research Collaborative for Health ("ARBOR") and Dr. Robert Wolfe is both an employee of the University of Michigan and Vice President for Biostatistics at ARBOR. 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.

Background:

Dr. Robert Merion, a Professor in the Department of Surgery, Division of Transplantation in the Medical School, is the president and a member of the Board of Director's of a non-profit company called ARBOR (the "Company"). Dr. Robert Wolfe, a Professor Emeritus of Biostatistics in the School of Public Health, is the Vice President of Biostatistics at ARBOR. The Company's mission is to provide an empirical basis for improving the lives of patients by improving the practice of health care. The Company achieves this mission through interdisciplinary expertise in biostatistical analysis, clinical practice, management and integration of large data sets, economics, and public policy. The Company wishes to support research projects and desires to use facilities of the University for projects that will be described from time to time related to its mission. The roles of the University employees in each project will be described in a project statement and approved conflict of interest management plans.

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 \$15,000,000. 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. 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 sponsored 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 conflict of interest review will be done as appropriate on a project-by-project basis.

Impact of the Agreement:

The Master Agreement will facilitate research that will assist the University in helping the Company pursue its mission.

Recommendation:

These matters will be reviewed and approved by the OVPR Conflict of Interest Review Committee and/or the Medical School Conflict of Interest Board and a plan will be 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 Arbor Research Collaborative for Health, Inc.

Respectfully submitted,



Stephen R Forrest
Vice President for Research

September 2011