

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the
Regents
September 18, 2014

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and Integrated Sensing Systems, Inc.

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Research and Sponsored Projects while reviewing the Proposal Approval Form which then triggered a review by the UMOR Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflict of interest was then developed and approved by the Committee and agreed to by the parties involved.

This proposed agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Khalil Najafi and Professor Emeritus Kensall Wise are both employees of the University of Michigan ("University") and partial owners of Integrated Sensing Systems, Inc. ("ISSYS, Inc."). The law permits such an Agreement provided it is disclosed to the Board of Regents ("Regents") of the University of Michigan and approved in advance by a 2/3 vote.

Background:

Dr. Najafi, Professor and Chair of the Department of Electrical Engineering and Computer Science, and Professor of Biomedical Engineering in the College of Engineering, and Dr. Wise, Professor Emeritus in the Department of Electrical Engineering and Computer Science, Biomedical Engineering, and AOSS, in the College of Engineering are the partial owners of a for-profit company called ISSYS, Inc. ("the Company"). The Company wishes to fund a NIH (prime) SBIR Phase I project entitled "Novel Micro-Implant to Measure Intracardiac Pressure in Congenital Heart Patients 2" (ORSP# 13-PAF06379) in the Department of Pediatric Cardiology under the direction of Dr. Martin Bocks. The purpose of this project is to provide various services including echocardiograms in animal studies of a novel micro-implant device to monitor intracardiac pressure in congenital heart patients. Drs. Najafi and Wise have no role on this project as representatives of the University or ISSYS, Inc.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is approximately three (3) years. The amount of funding support is \$1,055,528. Since research projects are often amended, this agreement includes provisions for changes in time, amount, and scope. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

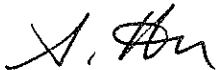
Impact of the Agreement

The Agreement will support an effort by Dr. Bocks to use his expertise and University laboratory, as well as other University resources to develop a novel miniature wireless implantable pressure sensor that utilizes Microelectro-Mechanical System (MEMS) technology to measure the pressure in the Fontan pathway of patients with single ventricle anatomy.

Recommendations:

This matter has been reviewed and approved by the UMOR Conflict of Interest Review Committee. In light of this disclosure and our finding that the Agreement was negotiated in conformance with standard University practices, I recommend that the Board of Regents approve the University's entering into this Agreement with ISSYS, Inc.

Respectfully submitted,



S. Jack Hu
Interim Vice President for Research

September 2014