

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Research Agreement between the University of Michigan and Eli Lilly and Company

Action Requested: Authorization to amend an Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Research and Sponsored Projects while reviewing the Proposal Approval Form.

This proposed agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Dr. Marschall Runge is an employee of the University of Michigan (“University”), and a paid member of the Board of Directors of Eli Lilly and Company. 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:

Marschall Runge, MD, PhD, the Executive Vice President for Medical Affairs and Dean of the Medical School, is a paid member of the Board of Directors of the for-profit company called Eli Lilly and Company (the “Company”). The Company wishes to amend a research agreement originally approved by the Regents on December 7, 2017, to include the proposal entitled, “Effect of LY3154207 on Cognition in Mild-to-Moderate Dementia Due to Lewy Body Dementia (LBD) Associated with Idiopathic Parkinson’s Disease (PD) or Dementia with Lewy Bodies (DLB) (The PRESENCE Study)” (ORSP #19-PAF08504) in the Department of Neurology under the direction of Dr. Kara Wyant. The purpose of this amendment is to add funding for an additional visit, which will cover all associated costs. Dr. Runge is not involved in any manner in this research project and was not involved in any manner in the negotiation of the Agreement terms.

Agreement Terms:

The terms of the Amendment conform to University policy. The period of performance for the project is approximately two (2) years. The amount of funding support will be increased by \$39,252 and will not exceed \$522,951 total. Since research projects are often amended, this agreement includes a provision for changes in time 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 amended Agreement will provide continued support of an effort by Dr. Kara Wyant, to use her expertise and the Neurology Department, as well as other University

resources, to work collaboratively with the Company to focus on the effect of LY3154207 on cognition in mild-to-moderate Parkinson's disease dementia.

Recommendations:

Dr. Runge has properly disclosed his service to the Company pursuant to the regular conflict of interest process and policies that apply to Executive Officers of the University. The president has put in place a management plan for this conflict which calls for Dr. Runge to recuse himself from any University decisions involving a business relationship with the Company and to inform the president when he is required to do so. 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 amending this Agreement with Eli Lilly and Company.

Respectfully submitted,



Rebecca Cunningham
Interim Vice President for Research

September 2019