

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Research Agreement between the University of Michigan and ChemXLERate LLC

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 research agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Adam Matzger and Dr. Antek Wong-Foy are employees of the University of Michigan ("University"), and partial owners of ChemXLERate LLC. 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. Adam Matzger, a Professor in the Department of Biomedical Engineering, and Dr. Antek Wong-Foy, an Associate Research Scientist in the Department of Chemistry, are the partial owners of a for-profit company called ChemXLERate LLC (the "Company"). The Company wishes to fund a project entitled "Quality Testing of Organic Solvents – Equipment Supplement" (ORSP# 16-PAF01083) in the Department of Chemistry under the direction of Dr. Wong-Foy. The purpose of this project is to test and develop new high throughput screening tools for the discovery of drug polymorphs.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project was recently approximately two (2) years. The amount of funding support for the project will not exceed \$40,000. 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 Agreement will support an effort by Dr. Wong-Foy to use his expertise and University laboratory, as well as other University resources to continue to test and develop new high throughput screening tools.

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 ChemXLerate LLC.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'S. Jack Hu', is positioned above the printed name.

S. Jack Hu
Interim Vice President for Research

October 2015