

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 transact with BioDiscovery LLC (University of Michigan Employees, Jean-Marie Rouillard, owner and Erdogan Gulari, Partner).

Background:

The University of Michigan Pathology Department and the Pediatrics Hematology/Oncology Department seek approval to transact with BioDiscovery LLC for the purchase of a Reactions Tool Kit to perform rapid prototyping of generic circuits in a cell-free setting and a prelabeled probe set of oligos.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Jean-Marie Rouillard and Erdogan Gulari are University employees as Assistant Research Scientist and Professor respectively in Chemical Engineering and would be party to the agreement as Owner and Partner respectively of BioDiscovery LLC.

However, the Statute allows the University to enter into such agreements 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 purchase, which disclosure shall be a matter of record in its official proceedings.
- b) The purchase 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 purchase, 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 purchase.
 - iii) The nature of any pecuniary interest.

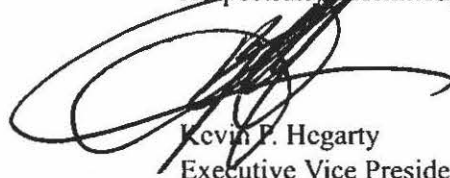
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Pathology and Pediatrics Hematology/Oncology Departments and BioDiscovery LLC.
- ii) The agreement is for a one time purchase at a total cost of \$3,830. BioDiscovery LLC will be supplying all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions are typical to those used in Procurement Services standard templates for other similar contracts entered into by the Regents.
- iii) The pecuniary interest arises from the fact that University of Michigan employees, Jean-Marie Rouillard and Erdogon Gulari, are respectively Owner and Partner of BioDiscovery LLC.

Jean-Marie Rouillard and Erdogon Gulari have met state law requirements with the disclosure of their pecuniary interest and formal appointment arrangements with the University of Michigan. Requirements, if any, that may be applicable by the supervisor of Jean-Marie Rouillard and Erdogon Gulari, under the Medical School's or OVP's Conflict of Interest Committee's procedures are separately analyzed and managed.

We recommend that the Board of Regents approve the agreement between the University of Michigan and BioDiscovery LLC subject to requirements, if any, that the supervisor of Jean-Marie Rouillard and Erdogon Gulari or the Medical School's or OVP's Conflict of Interest Committee may impose.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kevin F. Hegarty', is written over the typed name and title.

Kevin F. Hegarty
Executive Vice President and Chief Financial Officer

December 2018