

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and H3D, 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 subcontract agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professor Zhong He and Dr. Yuefeng Zhu are employees of the University of Michigan (“University”), and partial owners of H3D, 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. Zhong He, a Professor in the Department of Nuclear Engineering and Radiological Sciences, and Dr. Yuefeng Zhu, an Associate Research Scientist in the Department of Nuclear Engineering and Radiological Sciences, are partial owners of a for-profit company called H3D, Inc (the “Company”). The Company wishes to fund a Department of Defense (prime) STTR Phase I project entitled, “General Purpose Radiation Detector Front End and Digital Processor” (ORSP #20-PAF09112) in the Department of Nuclear Engineering and Radiological Sciences under the direction of Dr. Zhu. The purpose of this project is to generate a solution based on general purpose integrated circuit (GPIC) to provide the field of radiation detection a compact, high performance data acquisition system.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is approximately seven (7) months. The amount of funding support will not exceed \$50,250. Since research projects are often amended, this agreement includes provisions 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. Zhu to use his expertise and University laboratory, as well as other University resources, to generate a solution based on GPIC to provide the field of radiation detection a compact, high performance data acquisition system.

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 H3D, Inc.

Respectfully submitted,



Rebecca Cunningham
Vice President for Research

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