

JULY, 2018

*The University of Michigan
Ann Arbor
July 19, 2018*

The regents met at 3:00 p.m. at the Postma Family Golf Course Club House in the Glick Ballroom. Present were President Schlissel and Regents Behm, Bernstein, Richner, Ryder Diggs, Weiser and White. Also present were Chancellor Borrego, Vice President Churchill, Vice President Harper, Executive Vice President Hegarty, Vice President Hu, Chancellor Little, Vice President Lynch, Vice President May, Vice President Michels, Provost Philbert, Interim Vice President Rosenberg, Executive Vice President Runge and Vice President Wilbanks. Regents Ilitch and Newman participated by conference call.

Call to Order and President's Opening Remarks

President Schlissel called the meeting to order and welcomed Regents Richner and Weiser to their first meeting as chair and vice chair respectively.

He thanked Andrew Rosenberg, interim vice president and chief information officer, for his leadership and welcomed Ravi Pendse, who will take over this role on August 1, 2018.

President Schlissel said that this is the last meeting for Chancellor Dan Little who has led the UM-Dearborn campus for 18 years. During his inaugural address Chancellor Little said, "Let it be a place dedicated to the deep values of learning and maturation that a university represents. Let it be a place that transforms our students, that challenges them intellectually, but also challenges them morally and socially, that

helps them work through their own sense of purpose and connection to their communities.”

Since then, UM-Dearborn enrollment has increased by more than 12 percent and the number of students of color has risen 71.5 percent. Current UM-Dearborn students can live on campus and pursue 17 new international programs and seven new doctoral programs. President Schlissel thanked him and said, “Chancellor Little’s work to champion educational opportunities for students from all backgrounds was deservedly recognized this past month as he was named a Michiganiaan of the Year by the Detroit News.”

Regent Richner read the following resolution:

Regents’ Resolution

The Regents of the University of Michigan extend their heartfelt congratulations to Daniel E. Little who will be stepping down on July 31, 2018, after 18 years of service as chancellor of the University of Michigan-Dearborn.

Chancellor Little earned a B.S. in mathematics and A.B. in philosophy from the University of Illinois, and a Ph.D. in philosophy from Harvard University. He held leadership positions at Bucknell and Colgate Universities before coming to UM-Dearborn. Chancellor Little will return to the faculty as a professor of philosophy on the Dearborn campus and a professor of sociology on the Ann Arbor campus.

Chancellor Little’s contributions have been extraordinary and leave an indelible mark on the Dearborn campus and beyond. He enthusiastically led a growing and increasingly diverse campus and championed the expectation of inclusiveness to great effect. Through his Metropolitan Vision, UM-Dearborn is now a strategic partner in the success of Southeast Michigan. His focus on scholarship has elevated the academic enterprise as evidenced by seven new doctoral programs. Chancellor Little’s passion for philosophy, diversity, ethics and the social sciences is demonstrated in his many publications, his presence on social media and his service on boards that focus on civil rights, talent development and cultural understanding.

The Regents hereby thank Chancellor Little for his years of impassioned leadership and wish him success in all his future endeavors.

Regent Richner added that he's witnessed first-hand how well UM-Dearborn has done under Chancellor Little's leadership and thanked him personally and on behalf of the board.

Regent Ryder Diggs offered thanks to Chancellor Little and congratulated him for his many years of service. She said, "I believe that you've transformed UM-Dearborn during your tenure and you've created a campus that exemplifies excellence. And that excellence has come over the years from sustained academic rigor, innovation and vision, diversity and inclusion, and community engagement."

Minutes. Vice President Churchill submitted for approval the minutes of the meeting of June 21, 2018.

Reports. Executive Vice President Hegarty submitted the Investment Report, Plant Extension Report, the University Human Resources Report and the Regents Report on Non-Competitive Purchases over \$10,000 from Single Sources, March 16, 2018 through June 15, 2018.

Litigation Report. Vice President Lynch had no report.

Research Report. Vice President Hu submitted the Report of Projects Established through May 31, 2018. He introduced a recipient of the 2018 Distinguished University Innovator Award, Professor Mingyan Liu, College of Engineering. The award honors a faculty member or team who have made important and lasting contributions to society through research discoveries and their translation into practice, creating societal or economic impact. Professor Liu is recognized for her work in the

field of cyber security where she helped develop a new approach that accurately predicts the likelihood that a company will be exploited by cyber criminals. Professor Liu will be recognized with a public award lecture and ceremony on October 17.

University of Michigan Health System. Executive Vice President Runge had no report.

Student Life. Vice President Harper had no report.

University of Michigan-Dearborn. Chancellor Little said that the UM-Dearborn administration is committed to emergency preparation and has another table top exercise scheduled for August. He said that Associate Professor of Political Science Lara Rusch and Associate Professor of Sociology Francine Banner are collaborating an article on *Street Courts*, which allow judges to hold court in soup kitchens and other locations to clear the docket of minor crimes and to arrive at resolutions that allow affected individuals to move forward. He also thanked the regents for the opportunity to serve UM- Dearborn for 18 years.

University of Michigan-Flint. Chancellor Borrego thanked Chancellor Little and said that he has been a great friend and colleague. He has made an impact at UM-Flint as well. She reported that the Flint Promise has been launched and 300 of the 600 eligible students have already applied. Students who meet criteria will receive tuition support to attend Mott Community College and then transfer to UM-Flint to complete bachelor degrees. She reported that UM-Flint recently hosted international alumni events in Saudi Arabia and Nigeria with more planned for the fall and winter.

Chancellor Borrego said that The City of Flint has been selected to receive one of five \$35 million choice neighborhood implementation grants awarded by the Department of Housing and Urban Development. UM-Flint partnered in the application for this competitive process, which included work with the UM-Flint Department of Public Safety and innovation incubator.

Central Student Government Report. Central Student Government (CSG) Vice President Isabel Baer gave an update on recent activities, including the Big Ten conference and the voting challenge. Voter registration week will take place on campus in October. Work is also underway on dining options and housing affordability.

Voluntary Support. Vice President May reported that due to the year-end, the final report of fiscal-year gift receipts, including totals for the month of June, will be part of the September agenda.

Personnel Actions/Personnel Reports. Provost Philbert called attention to two supplemental personnel agenda items. The first is the appointment of David A. Gier as dean of the School of Music, Theatre and Dance. Professor Gier comes from the University of Iowa where he currently serves as director of the school of music.

The second is the appointment of F. DuBois Bowman as dean of the School of Public Health. Professor Bowman joins us from the Mailman School of Public Health at Columbia University.

Retirement Memoirs. Vice President Churchill submitted 11 retirement memoirs. Vice President May called attention to Thomas Kinnearr who served as vice president for development in the 1990's and has been very generous to the University.

Memorials. No deaths of active faculty members were reported to the regents this month.

Degrees. There are no actions with respect to degrees this month.

Approval of Consent Agenda. On a motion by Regent White, seconded by Regent Behm, the regents unanimously approved the consent agenda, including the supplemental personnel items.

Alternative and Absolute Return Commitments

Executive Vice President Hegarty reported on the University's follow-on investments with previously approved partnerships with a commitment of \$20 million to Trilantic Capital Partners VI Parallel (North America) L.P.; a commitment of \$40 million to Thackeray Partners Realty Fund V., L.P.; a commitment of \$10 million to the Zell Equity International VI Pegasus Co-Investment; a commitment of \$25 million to Anagenesis Capital Partners SBIC, L.P. from the University's Long Term Portfolio; a commitment of \$12 million from the University's Short Term Pool as a follow-on investment to an unleveraged separately managed account managed by Anagenesis Capital Partners, LLC; a commitment of \$25 million to McLarty Capital Partners SBIC II, L.P. from the University's Long Term Portfolio; a commitment of \$12 million from the University's Short Term Pool as a follow-on investment to an unleveraged separately managed account managed by McLarty Capital Advisors SBIC II, LLC; and a commitment of \$25 million to Siguler Guff Brazil Special Situations Fund from the University's Long Term Portfolio.

Absolute Return Commitment

On a motion by Regent Behm seconded by Regent White, the regents unanimously approved the University's commitment of \$30 million from the University's investment pool for working capital to Kayne Anderson Real Estate Debt III, L.P.

Michigan Medicine University Hospital South Roof Replacement

On a motion by Regent White, seconded by Regent Bernstein, the regents unanimously approved the Michigan Medicine University Hospital South roof replacement project as described and authorized issuing the project for bids and awarding construction contracts provided that bids are within the approved the budget.

Alumni Center Renovation

On a motion by Regent Newman, seconded by Regent Bernstein, the regents unanimously approved the Alumni Center renovation project as described and authorized commissioning Integrated Design Solutions for its design. Regent Newman asked about meeting space in the front of the Alumni Center. Executive Vice President Hegarty said it will be a separate project that will be coordinated with this project. The area between the Alumni Center and the Lydia Mendelssohn Theatre has a spacious grassy area with heritage trees that will be re-structured to create a park-like setting that is more inviting and enjoyable.

Conflicts of Interest

On a motion by Regent White, seconded by Regent Behm, the regents unanimously approved the following conflict of interest items that fall under the State of Michigan

Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

Authorize Execution of Investment Agreements for the Monroe-Brown Seed Fund for Arborsense

An agreement with Arborsense was approved.

1. The parties to the contract are the Regents of the University of Michigan and Arborsense.
2. The Monroe-Brown Seed Fund will execute applicable standard agreements for venture capital investing. The University will receive future equity in Arborsense, along with the right to purchase more equity. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the agreement. Standard disclaimers of warranties and indemnification apply, and the agreement may be amended by consent of the parties. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interest arises from University of Michigan employees Xudong Fan, Zhaohui Zhong, Mark Ilgen and Girish Kulkarni's ownership interest in Arborsense.

Subcontract Agreement between the University of Michigan and SenSigma LLC

A subcontract agreement with SenSigma LLC to fund a Department of Defense, Navy (prime) STTR Phase I project entitled, "Innovative Additive Manufacturing (AM) Process for Successful Production of 7000 Series Aluminum Alloy Components Using Smart Optical Monitoring Systems" (ORSP #18-PAF05297) was approved.

1. The parties to the contract are the Regents of the University of Michigan, its Department of Mechanical Engineering and SenSigma LLC
2. The terms of the agreement conform to University policy. The period of performance for the project is approximately six (6) months. The amount of funding support will not exceed \$50,000. 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.
3. The pecuniary interest arises from the fact that University of Michigan employee Jyoti Mazumder is part owner of SenSigma LLC.

Research Agreement between the University of Michigan and Esanik Therapeutics, Inc.

A research agreement with Esanik Therapeutics, Inc. to fund a project entitled, "ERICA: Phase 2 Multi-center Trial of ESK981 in Combination with Nivolumab in Patients with Metastatic Renal Cell Carcinoma" (ORSP #18-PAF06063) was approved.

1. The parties to the contract are the Regents of the University of Michigan, its Department of Internal Medicine and Esanik Therapeutics, Inc.
2. The terms of the amendment conform to University policy. The period of performance for the project is approximately five (5) years. The amount of funding support will not exceed \$376,000. 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.
3. The pecuniary interest arises from the fact that University of Michigan employees Dr. Gilbert Omenn, Shaomeng Wang and Dr. Arul Chinnaiyan are part owners of Esanik Therapeutics, Inc.

Research Agreement between the University of Michigan and GreenMark Biomedical Inc.

A research agreement with GreenMark Biomedical Inc. to add additional funding to a project entitled, "Detection of Early Pre-Cavity Lesions Using Fluorescently Labeled Starch Nano Particles, in vitro" (ORSP #18-PAF08299) was approved.

1. The parties to the contract are the Regents of the University of Michigan, its Department of Cariology and GreenMark Biomedical Inc.
2. The terms of the amended agreement conform to University policy. The period of performance for the project is approximately an additional seven (7) months. The amount of additional funding support from GreenMark Biomedical Inc. will be \$10,000. 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.
3. The pecuniary interest arises from the fact that University of Michigan employee Joerg Lahann is a member of the board of directors of GreenMark Biomedical Inc.

Subcontract Agreement between the University of Michigan and Elegus Technologies, Inc.

A subcontract agreement with Elegus Technologies, Inc. to fund a National Science Foundation (prime) STTR Phase I project entitled, "Structural Zn Batteries with Biomimetic Solid-State Electrolyte" (ORSP #18-PAF08308) was approved.

1. The parties to the contract are the Regents of the University of Michigan, its Department of Chemical Engineering and Elegus Technologies, Inc.
2. The terms of the agreement conform to University policy. The period of performance for the project is approximately twelve (12) months. The amount of funding support will not exceed \$101,250. 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.
3. The pecuniary interest arises from the fact that University of Michigan employees

Nicholas Kotov and John Hennessy are part owners of Elegus Technologies, Inc.

Subcontract Agreement between the University of Michigan and Otzi Bio LLC

A subcontract agreement with Otzi Bio LLC to fund a National Science Foundation (prime) SBIR Phase I project entitled, “Marangoni Processing for the Stabilization of Biologically Active Surfaces” (ORSP #18-PAF06781) was approved.

1. The parties to the contract are the Regents of the University of Michigan, its Department of Mechanical Engineering and Otzi Bio LLC.
2. The terms of the agreement conform to University policy. The period of performance for the project is approximately one (1) year. The amount of funding support will not exceed \$75,000. 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.
3. The pecuniary interest arises from the fact that University of Michigan employees Nilay Chakraborty and Quinn Osgood are part owners of Otzi Bio LLC.

Subcontract Agreement between the University of Michigan and The Hope Foundation

A subcontract agreement with The Hope Foundation to fund The Jackson Laboratory (prime) sponsored project entitled, “Determining tumor molecular profiles in the cerebrospinal fluid (CSF) from cancer patients with central nervous system (CNS) involvement” (ORSP #18-PAF00874) was approved.

1. The parties to the contract are the Regents of the University of Michigan, its Department of Internal Medicine and The Hope Foundation.
2. The terms of the agreement conform to University policy. The period of performance for the project is approximately one (1) year. The amount of funding support will not exceed \$15,068. 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.
3. The pecuniary interest arises from the fact that University of Michigan employee James Rae is the secretary of the board of directors of The Hope Foundation.

Research Agreement between the University of Michigan and The Hope Foundation.

A research agreement with The Hope Foundation to fund a project entitled, “Pilot Study to determine analytic validity of characterizing circulating tumor cells (CTC) in cerebrospinal fluid (CSF-TC) for ER and HER2 and comparison of genomic

profiling of DNA derived from CSF-TC those of CTC DNA from blood in cancer patients with leptomeningeal metastasis” (ORSP #18-PAF08137) was approved.

1. The parties to the contract are the Regents of the University of Michigan, its Department of Internal Medicine and The Hope Foundation.
2. The terms of the agreement conform to University policy. The period of performance for the project is approximately two (2) years. The amount of funding support will not exceed \$62,500. 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.
3. The pecuniary interest arises from the fact that University of Michigan employee Joerg Lahann is a member of the board of directors of The Hope Foundation.

Sponsored Activity Agreement between the University of Michigan and Applied Morphomics, Inc.

A sponsored activity agreement with Applied Morphomics, Inc. to fund a sponsored activity entitled, “Data Transfer to Applied Morphomics” (ORSP #18-PAF08141) was approved.

1. The parties to the contract are the Regents of the University of Michigan, its Department of Surgery and Applied Morphomics, Inc.
2. The terms of the agreement conform to University policy. The period of performance for the project is approximately one (1) year. The amount of funding support will not exceed \$7,000, which includes a data recovery fee. 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.
3. The pecuniary interest arises from the fact that University of Michigan employee Dr. Stewart Wang is part owner of Applied Morphomics, Inc.

License Agreement between the University of Michigan and Applied Morphomics, Inc.

A license agreement with Applied Morphomics, Inc. to license from the University of Michigan the University’s rights associated with the following technology was approved: UM OTT File No. 4834 entitled, “Analytic Morphomics High Speed Medical Image Automated Analysis Method and associated patents.”

1. The parties to the contract are the Regents of the University of Michigan and Applied Morphomics, Inc.
2. Agreement terms include granting Applied Morphomics, Inc. an exclusive license with the right to grant sublicenses. Applied Morphomics, Inc. will pay a royalty on sales and reimburse patent costs. The University may receive equity in Applied Morphomics, Inc., along with the right to purchase more equity. The University will

retain ownership of the licensed technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the agreement. Standard disclaimers of warranties and indemnification apply, and the agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

3. The pecuniary interest arises from the fact that University of Michigan employee Dr. Stewart Wang is part owner of Applied Morphomics, Inc.

Master Research Agreement between the University of Michigan and Xiaoju Science and Technology (Hong Kong) Limited

A master research agreement with Xiaoju Science and Technology (Hong Kong) Limited to support research projects at the University related to research and development of ride sharing and autonomous fleet technologies was approved.

1. The parties to the contract are the Regents of the University of Michigan and Xiaoju Science and Technology (Hong Kong) Limited.
2. The agreement terms cover standard procedures for performance of projects as well as provisions implementing University and federal policies related to intellectual property and publication. The agreement covers an initial three (3) year period ending December 31, 2019, with total anticipated funding from Xiaoju Science and Technology (Hong Kong) Limited to the University of not less than \$300,000 per year, or not less than \$900,000 over the term of the agreement. The University will use standard sponsored project accounting procedures to determine the cost of each project under this agreement. Budgets will be reviewed and approved by authorized representatives of the applicable department(s) and school(s)/college(s) where projects will be performed. The agreement will allow the University and Xiaoju Science and Technology (Hong Kong) Limited to specify projects that the University will conduct under the terms of the agreement. Since sponsored projects are often amended, the agreement will include provisions for changes in the time and scope of each supported project. University procedures for approval of each project will be followed and additional conflict of interest review will be done on a project-by-project basis.
3. The pecuniary interest arises from the fact that University of Michigan employee Jieping Ye is the vice president of research of Xiaoju Science and Technology (Hong Kong) Limited.

License Agreement between the University of Michigan and Prove Concepts, LLC

A license agreement with Prove Concepts, LLC to license from the University of Michigan the University's rights associated with the following technologies was approved: UM OTT File No. 1532 entitled, "Novel Porous Composite Materials by a Biomimetic Process"; UM OTT File No. 1566 entitled, "Synthetic nano-scale fibrous extracellular matrix"; UM OTT File No. 2150.1 entitled, "Porous Materials with High Surface Area"; UM OTT File No. 2930 entitled, "Crosslinked Porous Material"; UM

OTT File No. 3110 entitled, “Particle-Containing Complex Porous Materials”; UM OTT File No. 3511 entitled, “Immobilizing Particles onto Complex Surfaces”; UM OTT File No. 3600 entitled, “Drug Releasing Porous Materials for Tissue Repair and Regeneration”; UM OTT File No. 3711 entitled, “Pulsatile Release Devices”; UM OTT File No. 4040 entitled, “Hydrophilic- Hydrophilic Block/Graft Copolymers and Nano/Micro Particles Containing Such Copolymers”; UM OTT File No. 4229 entitled, “Polymer Compositions and Nanofibrous Spheres; UM OTT File No. 4630 entitled, “Tubular Scaffolds for Tissue Regeneration”; UM OTT File No. 5933 entitled, “Injectable and Self-Integrating Hydrogels”; UM OTT File No. 6259 entitled, “Nanofibrous Spongy Microspheres, Their Composition and Fabrication”; UM OTT File No. 6382 entitled, “Controlled RNA Delivery Systems”; UM OTT File No. 7203 entitled, “Implanatable Long-Term Pulsatile Delivery System”; and UM OTT File No. 7501 entitled, “Biomimetic Microspheres and the Methods of Making the Same.”

1. The parties to the contract are the Regents of the University of Michigan and Prove Concepts, LLC.
2. Agreement terms include granting Prove Concepts, LLC an exclusive license with the right to grant sublicenses. Prove Concepts, LLC will pay a royalty on sales and reimburse patent costs. The University may receive additional equity in Prove Concepts, LLC, along with the right to purchase more equity. The University will retain ownership of the licensed technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the agreement. Standard disclaimers of warranties and indemnification apply, and the agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interest arises from the fact that University of Michigan employee Peter Ma is part owner of Prove Concepts, LLC.

Option Agreement between the University of Michigan and Otzi Bio LLC

An option agreement with Otzi Bio LLC to option from the University of Michigan the University’s rights associated with the following technology was

approved: UM OTT File No. 6849 entitled, “A Surface Tension Mediated Lyoprocessing Technique for Preservation of Biologics.”

1. The parties to the contract are the Regents of the University of Michigan and Otzi Bio LLC.
2. Agreement terms include granting Otzi Bio LLC an option with the right to negotiate an exclusive license. The University will retain ownership of the optioned technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the agreement. Standard disclaimers of warranties and indemnification apply, and the agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interest arises from University of Michigan employees Nilay Chakraborty and Quinn Osgood’s ownership interests in Otzi Bio LLC.

New graduate degree program in the School of Information

On a motion by Regent White, seconded by Regent Behm, the regents unanimously approved the online graduate degree, Master of Applied Data Science.

Approval of Academic Calendars for 2020-2021 for the UM-Dearborn Campus

On a motion by Regent White, seconded by Regent Richner, the regents unanimously approved the academic calendars for 2020-2021 for the UM-Dearborn campus.

Public Comment

The regents heard public comments from staff members Megan Duncan, Lynn Detloff, Ken Warshaw and Donna Carnahan on nurse union negotiations; Michael Garfield, citizen, on climate action at UM; and Jim Mogensen, citizen, on a mind is a terrible thing to waste.

Adjournment

The meeting was adjourned at 3:46 p.m. The next meeting will take place on September 20, 2018.