

SUBMITTED BY:

**STEPHEN M. LANIER PH.D.
VICE PRESIDENT FOR RESEARCH**

**UNIVERSITY CONTRACT FOR
RESEARCH AND SERVICES FROM
VENICA FLUID SYSTEMS LIMITED,**

**A COMPANY OWNED BY A SCHOOL OF MEDICINE
FACULTY MEMBER**

RECOMMENDATION

The Administration recommends that the Board of Governors authorize the President or his designee to enter into a contract for research and laboratory services from Venica Fluid Systems Limited. The contract will be for research and development in a micro liquid chromatography based separation mechanisms cartridge for use with a Raman spectroscopy system to provide ultra-high sensitivity and selectivity chemical analysis of liquid samples including water, serum, urine, and other liquid samples.

BACKGROUND

Venica Fluid Systems Limited, which was founded in 2015, has its registered office at 136 Hope Street, Douglas, Isle of Man IM1 1AR. Venica Fluid Systems is a fluidic device company specializing in fluidic and blood analysis for chemical doping and fluidic chemical identification. Dr. Greg Auner, Ph.D., Strauss Endowed Chair in the Department of Surgery in the School of Medicine and the Department of Biomedical Engineering in the College of Engineering is a shareholder of Venica Fluid Systems Limited.

Wayne State University has reached a research agreement with Venica Fluid Systems Limited encompassing the development of technology entitled “Raman Liquid Chromatography Project.”

Michigan Conflict of Interest law requires specific sunshine procedures in order for a University employee, or a company owned by a University employee, to contract directly or indirectly with the University:

- (A) The employee must disclose any pecuniary interest in the contract to the Board and the disclosure must be made a matter of record in the Board’s proceedings.
- (B) The contract must be approved by a vote of not less than two-thirds of the full membership of the Board in open session.
- (C) The Board’s minutes must report:
 - (i) The name of each party involved in the contract.
 - (ii) The terms of the contract, including duration, financial consideration between the parties, facilities or services of the public entity included in the contract, and the nature and degree of assignment of employees of the public entity for fulfillment of the contract.

- (iii) The nature of any pecuniary interest.

If the Board approves this Recommendation, the minutes will report as follows:

The Board of Governors authorized the President, or his designee, to enter into an agreement to provide up to \$300,000 in research services for Venica Fluid Systems Limited.

- (i) The parties involved in the contract are Wayne State University and Venica Fluid Systems Limited.
- (ii) The contract will provide:
 - (a) Scope: Design and fabricate a liquid chromatography micro cartridge to be used with a field portable Raman system. Develop signature libraries as a proof of concept for blood doping, urine analysis, water analysis and other fluidic chemical analysis.
 - (b) Duration: The contract will be for twelve months.
 - (c) Financial Consideration: The amount of the contract will not exceed \$300,000 which includes indirect costs at a rate of 26%.
 - (d) University Facilities to be Utilized: The research will be performed in the Smart Sensors and Integrated Microsystems Laboratory in the Engineering Development Center at Wayne State University
 - (e) Employees Assigned to the Services: Sally Yurgelevic, Ph.D.; Changhe Huang, Ph.D.; Michelle Brusatori, Ph.D., Christopher Thrush, and Mr. David Sant.
- (iii.) Dr. Auner's pecuniary interest consists of a current interest of approximately 20% ownership in Venica Fluid Systems Limited and he will therefore have the potential to financially benefit from the commercial success of the companies.