

Submitted by:

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Vice President for Research**

**University Contract with a Company Owned by a
Wayne State University College of Engineering Faculty Member**

RECOMMENDATION

The Administration recommends the Board of Governors authorize the President or his designee to contract with E2i, LLC. E2i will provide support to Wayne State's Illinois Science and Engineering Innovation Foundation grant, Educate and enable Illinois residents to actively reduce home-and work-related carbon emissions using innovative LEEM technologies. The purpose of the project is to promote transparency in interdisciplinary between energy and emissions while demonstrating the potential for the integrated technology incorporating a "Carbon Crunch" application and LEEM software for increased energy conserving behaviors in office environments.

BACKGROUND

Carol Miller, Ph.D., professor of Civil and Environmental Engineering in the College of Engineering, developed technology and methodology related to estimating the marginal emissions impact of a given electrical usage at a specific time and location (the Technology).

The Technology has been disclosed to the university and is described in WSU Tech ID 14-1255.

The Technology is being commercialized as copyrighted software. The WSU Technology has benefitted from WSU financial, facility and equipment resources. E2i, LLC is a startup company founded by Dr. Carol Miller, Steve Miller, and Loch McCabe. The company is registered and located in the State of Michigan. The WSU Board of Governors previously approved an option to an exclusive license. E2i has informed WSU of its intent to exercise the option and to enter in to an exclusive license for the Technology.

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 contract with E2i, LLC, of which Dr. Carol Miller, professor of Civil and Environmental Engineering in Wayne State University's College of Engineering, holds an equity position. The contract will grant E2i, LLC to provide support to Wayne State's Illinois Science and Engineering Innovation Foundation grant, *Educate and enable Illinois residents to actively reduce home- and work-related carbon emissions using innovative LEEM technologies.*

(i)The parties involved in the contract are Wayne State University and E2i, LLC.

(ii)The contract will provide for an exclusive, worldwide license, with the rights to limited commercial sublicensing of the software.

(iii) Dr. Miller's pecuniary interest consists of an OWNERSHIP INTEREST, holding 33.3% equity interest in E2i, LLC, and will therefore have the potential to financially benefit from the commercial success of the company, including the commercialization of the University's Technology.