

PR 7

Office of the President
March 27, 2012

Members, Board of Trustees:

APPROVAL OF PATENT LICENSE AGREEMENT

Recommendation: that the Board of Trustees approves the purchase of sensor products from Signal Solutions, LLC by the University per a subcontract for upgrading a health science center's sleep-wake system and for purchases of the Signal Solution's products for research at the University in the sleep-wake area through June 30, 2015.

Background: Associate Professor Bruce F. O'Hara and Professor Kevin D. Donohue are majority owners of Signal Solutions, LLC. Kentucky law prohibits an employee from having an interest in a contract with the University, unless an exception is granted by the Board of Trustees. Governing Regulation I.D.2.(1) provides a procedure for an exception whereby employees may have an interest in a contract with the University and avoid or manage any conflict of interest. Accordingly, the University Ethics Committee evaluates five criteria, and, if it determines that there is no conflict or that the conflict or the appearance of a conflict may be managed, makes a recommendation to the President who makes a recommendation that the Board approve the relationship.

In this case, the Ethics Committee has determined the following:

- that purchase of these sensors from Signal Solutions is in the best interest of the University;
- that Dr. O'Hara and Dr. Donohue have taken all actions necessary to avoid any conflict of interest and any appearance of a conflict of interest;
- that this agreement is not subject to Kentucky Revised Statutes Chapter 45A;
- that this agreement does not present a conflict with Dr. O'Hara's or Dr. Donohue's duties as employees; and
- that this purchase and Dr. O'Hara's and Dr. Donohue's interests in the purchase are being fully disclosed to the University community.

A copy of University Ethics Committee's opinion and recommendation is attached.

Action taken: Approved Disapproved Other _____