

Contact: Andrea Anania

CONFLICT OF INTEREST VENDORS

Recommended Action: Approve the following vendors with a potential conflict of interest:

UNIVERSITY OF IOWA

- Computer Management of Iowa, LLC, dba The Computer Guys LLC
- Jennifer Kardos

Executive Summary: Vendors at the Regent institutions with a potential conflict of interest are required by statute to be approved by the Board.

COMPUTER MANAGEMENT OF IOWA, LLC, DBA THE COMPUTER GUYS LLC provides computer service and repair, programming, training, consultation, and software development. Lih Chen is the principal of the company, which is located in Iowa City, Iowa. Mr. Chen is employed full-time as an Applications Development and Support Level II in the Faculty Practice Administration Department in the College of Nursing. The University reports that:

- Mr. Chen does not have any purchase order or payment authority for his department, nor has he been issued a procurement card; and
- The College of Nursing, Faculty Practice Administration Department, established a management plan which prohibits (1) business activities from occurring during University work time, and (2) the use of the University's facilities, equipment, and supplies for personal business use. Debra Vogt, Assistant/Associate Dean for the College of Nursing, will monitor his activities.

JENNIFER KARDOS provides instructional design and online learning consulting and services. Jennifer Kardos' husband, Joseph Kardos, is a full-time Manager/Financial Analyst, in the College of Medicine, Medicine Administration Department, at the University of Iowa.

The University reports that Joseph Kardos does not have any authority to issue purchase orders or to approve payments for his department, nor has he been issued a procurement card.

Background:

The Iowa Code [68B]:

- Does not alleviate the requirement for institutions to obtain competitive bids and provide public notice.
- Prohibits an official or employee of a regulatory agency from selling, either directly or indirectly, goods or services to the agency of which the individual is an official or employee, except when certain conditions are met.
- Requires all regulatory agencies to adopt rules specifying the method by which employees may obtain agency consent for exception.

The Iowa Administrative Code [681-8.9]:

- Precludes individuals with potential conflicts from being directly involved in the purchasing decisions or authorizing of any such contracts making material changes to such contracts.
- Requires Board authorization when a single purchase from a conflict of interest vendor (Regent employee) exceeds \$1,000 or a fiscal year's cumulative purchases exceed \$2,000.

Once a vendor with a potential conflict of interest is approved by the Board, any Regent institution is authorized to purchase from the vendor.