

Contact: Andrea Anania

CONFLICT OF INTEREST VENDORS

Action Requested: Consider approval of the following vendors with a potential conflict of interest:

UNIVERSITY OF IOWA

- ◆ Brown Street Inn
- ◆ Clark Operatic
- ◆ PhySecure LLC

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

UNIVERSITY OF IOWA

Brown Street Inn is a bed and breakfast. Robert Brooks holds a 50% interest in the business, which is located in Iowa City, Iowa.

Robert Brooks is employed on a full-time basis as an Associate Director of Building and Landscape Services in Facilities Management at the University of Iowa.

The University reports that:

- ◆ Mr. Brooks does have authority to issue purchase orders and approve payments for his department. He has not been issued a procurement card;
- ◆ Mr. Brooks will not participate in any discussions, decisions, business transactions, or correspondence involving Brown Street Inn and the University of Iowa; and
- ◆ Facilities Management will solicit competitive bids whenever Brown Street Inn is involved.

Clark Operatic is a musical entertainment business. Christopher Clark is the sole proprietor of the business, which is located in Iowa City, Iowa.

Christopher Clark is employed on a full-time basis as an Information Technical Support Services II in the Library Information Technology Department (LITD), University of Iowa Libraries, at the University of Iowa.

Christopher Clark's wife, Megan Gogerty, is employed on a 33% basis as an Adjunct Assistant Professor in the Department of Theatre Arts (DTS), College of Liberal Arts and Science, at the University of Iowa.

The University reports that:

- ◆ Christopher Clark and Megan Gogerty do not have any authority to issue purchase orders or to approve payments for their respective departments, nor have they been issued procurement cards;
- ◆ Christopher Clark and Megan Gogerty will not participate in any discussions, decisions, business transactions, or correspondence involving Clark Operatic and the University of Iowa; and
- ◆ LITD and DTS will solicit competitive bids whenever Clark Operatic is involved.

PhySecure LLC is a video surveillance company. Patrick Gordon holds a 50% interest in the business, which is located in Iowa City, Iowa.

Patrick Gordon's wife, Kimberly Gordon, is employed on a full-time basis as an Associate Director in the Department of Occupational and Environmental Health (DOEH), College of Public Health (CPH), at the University of Iowa.

The University reports that:

- ◆ Kimberly Gordon does not have any authority to issue purchase orders or to approve payments for her department. She has been issued a procurement card; the Account Specialist in DPH will review and approve all of Kimberly Gordon's procurement card transactions;
- ◆ Kimberly Gordon will not participate in any discussions, decisions, business transactions, or correspondence involving PhySecure LLC and the University of Iowa; and
- ◆ DOEH will solicit competitive bids whenever PhySecure LLC is involved.

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 (Regents employee) exceeds \$2,000 unless the sale is made after public notice and competitive bidding.

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