

Contact: Andrea Anania

CONFLICT OF INTEREST VENDORS

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

UNIVERSITY OF IOWA	IOWA STATE UNIVERSITY	UNIVERSITY OF NORTHERN IOWA
◆ Search Forward	◆ Visual Medical Solutions LLC dba BodyViz	◆ Chosen Disciples ◆ Eclipse Media Production

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

Search Forward is a career advising, resume writing, and job search consulting service. Margery Peskin owns the business, which is located in Iowa City, Iowa.

Margery Peskin's husband, Dr. Peter Cram, is employed on a full-time basis as an Associate Professor in the Department of Internal Medicine (DIM), College of Medicine, at the University of Iowa.

The University reports that:

- ◆ Dr. Cram does not have any authority to issue purchase orders or to approve payments for his department, nor has he been issued a procurement card;
- ◆ Dr. Cram will not participate in any discussions, decisions, business transactions, or correspondence involving Search Forward and the University of Iowa; and
- ◆ DIM will solicit competitive bids whenever Search Forward is involved.

IOWA STATE UNIVERSITY

Visual Medical Solutions LLC, dba BodyViz (VMS/BV) provides software and associated services. Co-founders James Oliver and Eliot Winer own 52% of VMS, which is located in Ames, Iowa.

James Oliver and Eliot Winer are both employed on a full-time basis as Professors in the Department of Mechanical Engineering (DME), College of Engineering (COE), at Iowa State University.

The University reports that:

- ◆ James Oliver and Eliot Winer will not:
 - ◆ Have any authority to make any university purchasing or payment decisions associated with VMS/BV providing goods to ISU. Both have been issued university purchasing cards; their transactions are reviewed and approved by an ISU Program Coordinator;
 - ◆ Participate in any decisions, business transactions, or correspondence involving VMS/BV and ISU;
 - ◆ Sell products/services to the department in which they are employed; DME agrees it will not purchase products/services from VMS/BV;
 - ◆ Serve on any related University committees for this type of work; and
- ◆ The DME, the COE Dean, and the Interim Chair of the COE acknowledge awareness of James Oliver's and Eliot Winer's request to do business as a conflict of interest vendor and will permit these efforts as long as they are conducted outside the workplace and on their own time.

UNIVERSITY OF NORTHERN IOWA

Chosen Disciples provides gospel music. Ruther Dixon owns the business, which is located in Waterloo, Iowa.

Ruther Dixon is employed on a full-time basis as a Residence Hall Secretary in the Department of Residence (DOR) at the University of Northern Iowa.

The University reports that:

- ◆ Ruther Dixon does not have any authority to issue purchase orders or to approve payments for her department, nor has she been issued a University procurement card;
- ◆ DOR acknowledges awareness of Ruther Dixon's request to do business as a conflict of interest vendor and will permit these efforts as long as they are conducted outside the workplace and on her own time;
- ◆ DOR agrees that Ruther Dixon will have no influence in awarding a University contract; and
- ◆ DOR will not purchase services from Chosen Disciples without prior bidding, where appropriate, and review of outside experts, if necessary.

Eclipse Media Production (EMP) provides video production and graphic design services. Zach Everman owns the business, which is located in Cedar Falls, Iowa.

Zach Everman's wife, Samantha Everman, is employed on a part-time basis as a Program Assistant in the UNItix Department at the University of Northern Iowa.

The University reports that:

- ◆ Samantha Everman does not have any authority to issue purchase orders or to approve payments for services for her department, nor has she been issued a University procurement card;
- ◆ The UNItix Department acknowledge awareness of Zach Everman's request to do business as a conflict of interest vendor and agree that his wife, Samantha Everman, will have no influence in awarding contracts or approving any payments relevant to video production and graphic design services; and
- ◆ The UNItix Department agrees to not purchase services from EMP without prior bidding, where appropriate, and review of outside experts, if necessary.

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 \$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.