

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
♦ Iowa Doppler Products, Inc.	♦ 2 nd Text	♦ John D. Montgomery
♦ Langhorne Associates	♦ Clean Air Systems	♦ Craft Cochran Screenprint Inc.
♦ Masterbuilt Concrete LLC	♦ James R. Quarnstrom	
♦ Rittenmeyer Trucking Co.	♦ Specialty House	
♦ Mary Moye-Rowley		

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

Iowa Doppler Products, Inc. (IDP) manufactures Doppler ultrasound products for use in medical research, primarily with laboratory animals, and develops and manufactures custom transducers for use in measuring the speed of sound for physics laboratories. Nathan Shepherd is Vice President of the business, which is located in Iowa City, Iowa.

Mr. Shepherd's wife, Mary Lohse Shepherd, is employed on a 60% basis as a Senior Physical Therapist in the Department of Rehabilitation Therapies (DRT) at the University of Iowa Hospitals and Clinics (UIHC).

The University reports that:

- ♦ Mary Lohse Shepherd does not have any authority to issue purchase orders or approve payments for her department, nor has she been issued a procurement card;
- ♦ Mary Lohse Shepherd will not participate in any discussions, decisions, business transactions, or correspondence involving IDP and the University of Iowa; and
- ♦ The DRT will solicit competitive bids whenever IDP is involved.

Langhorne Associates (LA) provides consulting services on management and organizational development. John Langhorne is the sole proprietor of the business, which is located in Iowa City, Iowa.

John Langhorne is employed on a 15% basis as an Adjunct Lecturer in the Department of Management and Organizations (DMO), Henry B. Tippie College of Business, at the University of Iowa.

John Langhorne's wife, Mary Jo Langhorne, is employed on a 25% basis as a Professional and Short-Term Monthly Instructor in the School of Library and Information Science (SLIS) at the University of Iowa.

The University reports that:

- ♦ Neither John nor Mary Jo Langhorne have any authority to issue purchase orders or approve payments for their respective departments, nor have they been issued procurement cards;
- ♦ Neither John Langhorne nor Mary Jo Langhorne will participate in any discussions, decisions, business transactions, or correspondence involving LA and the University of Iowa; and
- ♦ DMO and SLIS will solicit competitive bids whenever Langhorne Associates is involved.

Masterbuilt Concrete, L.L.C. (MC) provides concrete construction and snow removal services. Travis Curtin is the owner of the business, which is located in Oxford, Iowa.

Travis Curtin's wife, Mindy Curtin, is employed on a full-time basis as a Financial Analyst II in the Department of Maintenance and Environmental Services (DMES) at the University of Iowa Hospitals and Clinics (UIHC).

The University reports that:

- ◆ Mindy Curtin does have authority to issue purchase orders and approve payments for her department, but any to MC will require senior management approval; she has not been issued a procurement card;
- ◆ Mindy Curtin will not participate in any discussions, decisions, business transactions, or correspondence involving MC and the University of Iowa; and
- ◆ The DMES will solicit competitive bids whenever MC is involved.

Rittenmeyer Trucking Co. (RTC) is a hauling business. Michael Rittenmeyer is the sole proprietor of the business, which is located in Iowa City, Iowa.

Michael Rittenmeyer's wife, Helen Rittenmeyer, is employed on a full-time basis as a Nurse Manager for the Department of Ambulatory Care Services (DACS) at UIHC.

The University reports that:

- ◆ Helen Rittenmeyer does have authority to issue purchase orders and approve payments for her department and has been issued a procurement card; all procurement card transactions are reviewed and approved by the Senior Associate Director for ACS;
- ◆ Helen Rittenmeyer will not participate in any discussions, decisions, business transactions, or correspondence involving RTC and the University of Iowa; and
- ◆ The ACS will solicit competitive bids whenever RTC is involved.

Mary Moyer-Rowley is a graphics design and illustration business. Mary Moyer-Rowley is the sole proprietor of the business, which is located in Iowa City, Iowa.

Mary Moyer-Rowley's husband, W. Scott Moyer-Rowley, is employed on a full-time basis as a Professor in the Department of Molecular Physiology and Biophysics (DMPB), Carver College of Medicine, at UIHC.

The University reports that:

- ◆ Mr. Moyer-Rowley does not have any authority to issue purchase orders or to approve payments for his department, nor has he been issued a procurement card;
- ◆ Mr. Moyer-Rowley will not participate in any discussions, decisions, business transactions, or correspondence involving Mary Moyer-Rowley's graphic design and illustration business and the University of Iowa; and
- ◆ The DMPB will solicit competitive bids whenever Mary Moyer-Rowley's graphic design and illustration business is involved.

IOWA STATE UNIVERSITY

2ndText provides document writing, editing, and layout/formatting consulting services. Tim L. Shuck is the owner of the business, which is located in Ames, Iowa.

Mr. Shuck's wife, Linda K. Shuck, is employed on a full-time basis as a Clerk Typist in the Department of Physics and Astronomy (DPA), College of Liberal Arts and Sciences (CLAS), at Iowa State University.

The University reports that:

- ♦ Linda K. Shuck has been issued a procurement card; all transactions are reviewed and approved by the Administrative Specialist; and
- ♦ Linda K. Shuck will not participate in any discussions, decisions, business transactions, or correspondence involving 2ndText and ISU, nor will she have any authority to make any University purchasing or payment decisions associated with 2ndText.

Clean Air Systems, Inc. (CASI) provides air duct cleaning services for all types of heating, ventilation, and air conditioning. James and Denise Franck co-own the business, which is located in Polk City, Iowa.

Mr. Franck's wife, Denise Franck, is employed on a full-time basis as a Food Service Assistant Manager, Campus Dining Services (CDS), at Iowa State University.

The University reports that:

- ♦ Denise Franck has been issued a procurement card; all transactions are reviewed by the CDS Clerk and the Account Specialist prior to review and approval by the Director or Associate Director of CDS;
- ♦ Denise Franck will not participate in any discussions, decisions, business transactions, or correspondence involving CASI and ISU, nor will she have any authority to make any University purchasing or payment decisions associated with CASI;
- ♦ Denise Frank will disqualify herself if her input is requested with respect to CASI's capabilities and qualifications;
- ♦ The Director of Dining at the Food Stores Department (FSD) acknowledges awareness of CASI's request to do business as a conflict of interest vendor and agrees that Denise Franck has no influence awarding contracts of this type at ISU; and
- ♦ FSD will ask the Purchasing Department to solicit competitive bids whenever FSD and CASI are involved.

James R. Quarnstrom is a retired educator and high school principal who is able to provide student teacher supervision as an independent contractor. He is located in Ames, Iowa.

Mr. Quarnstrom's wife, Janice Quarnstrom, is employed on a full-time basis as a Clerk in the Information Systems Office, Ames Laboratory, at Iowa State University.

The University reports that:

- ♦ Janice Quarnstrom has not been issued a procurement card; and
- ♦ Janice Quarnstrom will not participate in any discussions, decisions, business transactions, or correspondence involving James Quarnstrom and ISU, nor will she have any authority to make any University purchasing or payment decisions associated with this service.

Specialty House (SH) is a fastener and electrical supply company with an emphasis on the automotive, truck, and marine service industry. James and Denise Franck co-own the business, which is located in Polk City, Iowa.

Denise Franck is employed on a full-time basis as a Food Service Assistant Manager, Campus Dining Services, at Iowa State University.

The University reports that:

- ◆ Denise Franck has been issued a procurement card; all transactions are reviewed by the CDS Clerk and the Account Specialist prior to review and approval by the Director or Associate Director of CDS;
- ◆ Denise Franck will not participate in any discussions, decisions, business transactions, or correspondence involving SH and ISU, nor will she have any authority to make any University purchasing or payment decisions associated with SH;
- ◆ Denise Frank will disqualify herself if her input is requested with respect to SH's products and services;
- ◆ The Director of Dining at the Food Stores Department (FSD) acknowledges awareness of SH's request to do business as a conflict of interest vendor and agrees that Denise Franck has no influence awarding contracts of this type at ISU; and
- ◆ FSD will ask the Purchasing Department to solicit competitive bids whenever FSD and SH are involved.

UNIVERSITY OF NORTHERN IOWA

John D. Montgomery, Ph.D. is a retired Iowa School Psychologist that provides educational and support services. He is located in Waterloo, Iowa.

Dr. Montgomery's wife, Dr. Janey L. Montgomery, is employed on a 60% basis as an Associate Professor in the Department of Teaching (DOT), College of Education (COE), at the University of Northern Iowa.

The University reports that:

- ◆ Dr. Janey L. Montgomery does not have any authority to issue purchase orders or to approve payments for her department, nor has she been issued a procurement card; and
- ◆ The DOT and the Dean of the COE acknowledge awareness of Dr. John D. Montgomery's request to do business as a conflict of interest vendor and agree that Dr. Janey L. Montgomery would have no influence in awarding a contract or approving payments relevant to services provided by Dr. John D. Montgomery.

Craft Cochran Screenprint Inc. (CCSI) is a screenprinting and embroidery business. Keith Sandvold co-owns the company, which is located in Waterloo, Iowa.

Keith Sandvold's wife, Louise Sandvold, is employed on a full-time basis as a Secretary III in the Department of Computer Science (DCS), College of Natural Sciences (CNS), at the University of Northern Iowa.

The University reports that:

- ◆ Louise Sandvold does not have any authority to issue purchase orders or to approve payments for her department;
- ◆ Louise Sandvold has been issued a procurement card; Ms. Sandvold agrees to make no purchases from CCSI without the consent of central purchasing; and
- ◆ The DCS and the Dean of the CNS acknowledge awareness of Keith Sandvold's request to do business as a conflict of interest vendor and agree that Louise Sandvold would have no influence in awarding a contract or approving payments relevant to products provided by CCSI.

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 Regent institution is authorized to purchase from that vendor.