

**Contact: Andrea Anania**

**CONFLICT OF INTEREST VENDOR**

**Action Requested:** Consider approval of a potential conflict of interest vendor, Paragon Commercial Interiors, Inc.

**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.

**Paragon Commercial Interiors, Inc.** is an interior design and installation business. Dana J. Wilkinson is co-owner and CEO of the business, which is located in Davenport, Iowa.

Ms. Wilkinson's husband, Mark E. Wilkinson, is employed as a full-time Associate Professor of Clinical Ophthalmology in the Department of Ophthalmology and Visual Sciences at the University of Iowa Hospitals and Clinics.

The University reports that Mark Wilkinson does not have any authority to issue purchase orders or 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.