MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Approval of Vendors with a Potential Conflict of Interest
Date: November 3, 2003

Recommended Action:

Approve the following additions to the University of Iowa’s list of approved vendors with a potential conflict of interest:

UNIVERSITY OF IOWA
- Sarah R. Barrick dba Sites By Sarah
- Jered Sprecher
- Susan Chrysler White

Executive Summary:

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

Sarah R. Barrick dba Sites By Sarah

Nature of Business: Sarah Barrick provides web design services. She is the owner and sole proprietor of Sites by Sarah, which is located in Iowa City, Iowa. She would like to provide goods and services to the University.

Employee Relationship: Sarah Barrick’s husband, Murray Barrick, is employed as a full-time Professor in the Department of Management and Organizations in the Tippie College of Business at the University of Iowa.

Purchasing Authority: The University reports that:

- The Department of Management and Organizations will not purchase goods or services from Ms. Barrick; and
- Mr. Barrick does not have any order or payment authority responsibilities.
Jered Sprecher

Nature of Business: Jered Sprecher sells artwork. He is a sole proprietor currently living in New York, New York. He would like approval to sell three pieces of his artwork to the University.

Employee Relationship: Jared Sprecher had been employed by the University of Iowa as a part-time Adjunct Assistant Professor through August 1, 2003. He was also employed as a part-time Visual Arts Coordinator in the Project Art Department through July 15, 2003. Mr. Sprecher is no longer employed by the University of Iowa.

Three pieces of Mr. Sprecher’s artwork were chosen by a committee for the Art in State Buildings Program (AiSB) at its July 15, 2003 meeting. This committee consists of 15 members, including employees from the University of Iowa and individuals from the surrounding area.

Purchasing Authority: The University reports that Mr. Sprecher did not have any purchase or payment approval authority in his positions while employed at the University and that he was not involved in the review or selection of the artwork chosen for purchase.

The total for the three pieces of artwork is $3,400, which exceeds the fiscal year’s cumulative purchase limit of $2,000. Board authorization is required for this purchase because Mr. Sprecher was employed by the University at the time the pieces were chosen by the AiSB.

Susan Chrysler White

Nature of Business: Susan Chrysler White sells artwork. She is a sole proprietor and is located in Iowa City, Iowa. She would like to provide goods and services to the University.

Employee Relationship: Susan Chrysler White is a full-time Assistant Professor in the School of Art and Art History at the University of Iowa.

Two pieces of Ms. Chrysler White’s artwork were chosen by a committee for the Art in State Buildings Program. This committee consists of 15 members, including employees from the University of Iowa and individuals from the surrounding area.

Purchasing Authority: The University reports that:

- Ms. Chrysler White was not involved in the review or selection of the artwork chosen for purchase;
- Ms. Chrysler White will not have any influence in purchasing decisions relative to her providing goods and services to the University in the future;
- The Art and Art History Department will not purchase goods or services from Ms. Chrysler White; and
- Purchases from Ms. Chrysler White would not be used for her curricula or class projects.
**Background:**

Requirements  

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.

- Requires that a summary of institutional expenditures with approved conflict of interest vendors will be included in the annual purchasing report presented to the Board in November.

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Andrea L. Anania  
Approved: Gregory S. Nichols