

Contact: Andrea Anania

CONFLICT OF INTEREST VENDORS

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

UNIVERSITY OF IOWA

- ◆ Designscares, Inc.
- ◆ Digicon, Inc.
- ◆ Exemplar Genetics, LLC
- ◆ Publication Design & Letterpress Printing

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

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Designscapes, Inc. (DI) is a landscaping and snow removal service. Troy Suchan owns the company, which is located in Tiffin, Iowa.

Troy Suchan's wife, Angela Suchan, is employed on a full-time basis as a Patient Account Representative in the Joint Office of Patient Financial Services (JOPFS) at the University of Iowa Hospitals and Clinics (UIHC).

The University reports that:

- ◆ Angela Suchan does not have any authority to issue purchase orders or to approve payments for JOPFS, nor has she been issued a procurement card;
- ◆ Angela Suchan will not participate in any discussions, decisions, business transactions, or correspondence involving DI and the University of Iowa; and
- ◆ JOPFS will solicit competitive bids whenever DI is involved.

Digicon, Inc. (DI) is a computer consulting business. Jeremy Richardson is the owner of the company, which is located in Kalona, Iowa.

Jeremy Richardson is employed on a full-time basis as an Engineer III in the Department of Biology (DOB), College of Liberal Arts and Sciences (CLAS), at the University of Iowa.

The University reports that:

- ◆ Jeremy Richardson does not have any authority to issue purchase orders or to approve payments for the DOB;
- ◆ Jeremy Richardson has been issued a procurement card. All procurement card transactions are reconciled by the DOB Accountant and approved by the DOB Business Manager II;
- ◆ Jeremy Richardson will not participate in any discussions, decisions, business transactions, or correspondence involving DI and the University of Iowa; and
- ◆ The DOB will solicit competitive bids whenever DI is involved.

Exemplar Genetics, LLC (EG) is a bioresearch facility. Dr Michael Welsh owns 5% stock in the company, which is located in Sioux Center, Iowa.

Dr. Welsh is employed on a full-time basis as a Professor in the Internal Medicine Department (IMD), Carver College of Medicine (CCOM), at the University of Iowa.

The University reports that:

- ◆ Dr. Welsh has not been issued a procurement card;
- ◆ Dr. Welsh has authority to issue purchase orders and payments for his department; however, he will not participate in any discussions, decisions, business transactions, or correspondence involving EG and the University of Iowa; and
- ◆ IMD will solicit competitive bids whenever EG is involved.

Publication Design & Letterpress Printing (PDLP) provides design and publishing services. Sara Sauers owns the business, which is located in Iowa City, Iowa.

Ms. Sauers is employed on a 33% basis as an Adjunct Professor at the Center for the Book (CFTB) in the Graduate College at the University of Iowa.

The University reports that:

- ◆ Ms. Sauers does not have any authority to issue purchase orders or to approve payments for CFTB, nor has she been issued a procurement card;
- ◆ Ms. Sauers will not participate in any discussions, decisions, business transactions, or correspondence involving PDLP and the University of Iowa; and
- ◆ The CFTB will solicit competitive bids whenever PDLP 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.