

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Approval of Vendors with a Potential Conflict of Interest  
**Date:** June 7, 2004

**Recommended Action:**

Approve the following additions to the respective institution's list of approved vendors with a potential conflict of interest:

UNIVERSITY OF IOWA

- Michael L. Barber / Kristina K. Barber dba Trip Personal
- Greta E. Reynolds dba Teddy Bear Bakery
- Mary Susan Vaughan Sarrazin dba Mary Vaughan Sarrazin Consultant

IOWA STATE UNIVERSITY

- Bob Elbert Photography

**Executive Summary:**

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

**UNIVERSITY OF IOWA**

**Michael L. Barber / Kristina K. Barber dba Trip Personal**

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|-----------------------|--|
| Nature of Business    | Michael L. Barber / Kristina K. Barber dba Trip Personal provides skincare products (hand sanitizing, sunscreen and insect repellent) in a personal dispenser that individuals can wear clipped to their belts and jackets. Michael L. Barber is the president of the company, which is located in Iowa City, Iowa. The University requests that the company be added to the list of approved vendors.   |
| Employee Relationship | Michael L. Barber's spouse, Kristina K. Barber, is an Associate Director for the Iowa Consortium for Substance Abuse and Evaluation at the University of Iowa.   |
| Purchasing Authority  | The University reports that: <ul style="list-style-type: none"> <li>• Kristina Barber's responsibilities include fiscal, personnel, and grant management. She has order and payment authority for her department and has a University procurement card;</li> <li>• Ms. Barber's procurement card purchases and requests for goods and services are reviewed and approved by the Iowa Consortium Director;</li> <li>• The Iowa Consortium will not enter into any transactions with Trip Personal.</li> </ul> |

**Greta E. Reynolds dba Teddy Bear Bakery**

- Nature of Business      Greta E. Reynolds dba Teddy Bear Bakery provides specialty cakes and baked goods. Greta E. Reynolds is the sole proprietor of the company, which is located in Iowa City, Iowa. The University requests that the company be added to the list of approved vendors.
- Employee Relationship    Greta E. Reynolds is the spouse of Kevin K. Reynolds who is a full-time Senior Systems Analyst in the IDX Department at the University of Iowa Hospitals and Clinics.
- Purchasing Authority    The University reports that:
- Kevin K. Reynolds does not have any purchase order, University PCard, or payment approval authority;
  - Kevin K. Reynolds does not have any decision making authority to determine vendors selected for goods and services; and
  - The IDX Department will not enter into any transactions with Teddy Bear Bakery.

**Mary Susan Vaughan Sarrazin dba Mary Vaughan Sarrazin Consultant**

- Nature of Business      Mary Susan Vaughan Sarrazin Consultant provides data analysis services. Mary Susan Vaughan Sarrazin is the sole proprietor of the company, which is located in Iowa City, Iowa. The University requests that the company be added to the list of approved vendors.
- Employee Relationship    Mary Susan Vaughan Sarrazin is the spouse of Edward Sarrazin who is employed as a full-time Clinical Pharmacist in the Department of Pharmacy at the University of Iowa Hospitals and Clinics.
- Purchasing Authority    The University reports that:
- Edward Sarrazin does not have any purchase order, University PCard, or payment approval authority;
  - Edward Sarrazin does not have any decision making authority to determine vendors selected for goods and services; and
  - The Pharmacy Department will not enter into any transactions with Mary Vaughan Sarrazin Consultant.

**IOWA STATE UNIVERSITY**

**Bob Elbert Photography**

Nature of Business      Bob Elbert Photography provides photographic images of non-university subjects from the photographer's personal archives. Bob Elbert owns the company, which is located in Nevada, Iowa.

ISU requests approval for him to provide services to all Regent institutions and that he be added to the list of approved vendors.

Employee Relationship      Mr. Elbert is a full-time Media Production Specialist in the University Relations Department at Iowa State University.

Purchasing Authority      The University reports that:

- The University Relations Department and the Executive Assistant to the President are aware of Mr. Elbert's business and his intentions to provide photography services;
- Mr. Elbert's supervisor will monitor his activities to ensure that his portrait service business will remain separate from his normal job duties; and
- Mr. Elbert will not participate in any evaluation or award decisions relative to his providing goods or services to ISU.

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**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