

Contact: Andrea Anania

**CONFLICT OF INTEREST VENDORS**

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

UNIVERSITY OF IOWA

- ♦ Mullen's Body Shop

UNIVERSITY OF NORTHERN IOWA

- ♦ Antúñez de Mayolo Law Office

**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.

**Mullen's Body Shop (MBS)** is an auto repair service shop. Kevin Mullen is co-owner of the business, which is located in Winfield, Iowa.

Mr. Mullen's wife, Jeanne Mullen, is employed on a full-time basis as a Clerk IV in the Departments of German, Spanish, and Portuguese, in the College of Liberal Arts & Sciences, at the University of Iowa.

The University reports that:

- ♦ Jeanne Mullen does not have any authority to issue purchase orders or approve payments for her department;
- ♦ Jeanne Mullen has been issued a University procurement card; all transactions are reviewed and approved by the Administrative Assistant II in the Language Media Center;
- ♦ Jeanne Mullen will not participate in any discussions, decisions, business transactions, or correspondence involving MBS and the University of Iowa; and
- ♦ The Departments of German, Spanish, and Portuguese will solicit competitive bids whenever MBS is involved.

**Antúñez de Mayolo Law Office (ADMLO)** provides legal services. Miryam Antúñez de Mayolo owns the business, which is located in Cedar Falls, Iowa.

Miryam Antúñez de Mayolo's husband, Dr. Philip Mauceri, is employed full-time as a Professor and Chair in the Department of Political Science (DPS), College of Social and Behavioral Sciences (CSBS), at the University of Northern Iowa.

The University reports that:

- ♦ Dr. Mauceri does not have sole authority to issue purchase orders or approve payments relevant to transactions involving ADMLO; secondary approval is required;
- ♦ Dr. Mauceri has not been issued a University procurement card; and
- ♦ The DPS and CSBS Dean acknowledge awareness of ADMLO's request to do business as a conflict of interest vendor and agree that Dr. Mauceri will have no influence to award a contract or approve payments relevant to services provided by ADMLO.

**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.