

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Quarterly Review of Conflict of Interest
Date: December 1, 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

- Mark E. NeuCollins dba Neue Grafik Design Works
- Jeanne Thompson dba RISHdesign

IOWA STATE UNIVERSITY

- Proplanner™
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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

Mark E. NeuCollins dba Neue Grafik Design Works

Nature of Business	Mark E. NeuCollins dba Neue Grafik Design Works provides interactive web and graphic design services. Mark E. NeuCollins is the sole proprietor of the company, which is located in Solon, Iowa. The University requests that (1) purchases be approved from the company; and (2) the company be added to the list of approved vendors.
Employee Relationship	Mark E. NeuCollins is employed 25% time as a graduate teaching assistant for the Art and Art History Department at the University of Iowa
Previous Payments	The University reports that the Research Administration Department engaged services with Neue Grafik Design Work totaling \$3,500 prior to Mr. NeuCollins’ teaching position, which began in August 2004. The process to report a conflict of interest vendor is through self reporting by employees. In this particular situation, Mark NeuCollins is employed at 25% time. The University’s conflict of interest review criteria had been for full-time employees. SUI is in the process of revising vendor application to further explain the policy, adding a compliance statement, and including all employees.

- Purchasing Authority The University reports that:
- Mark NeuCollins does not have any order or payment authority for his department;
 - Mark NeuCollins has not been issued a University procurement card;
 - Mark NeuCollins does not have any decision making authority to determine vendors selected for goods and services; and
 - The Art and Art History Department will not enter into any transactions with Neue Grafik Design Works.

Jeanne Thompson dba RISHdesign

- Nature of Business Jeanne Thompson dba RISHdesign provides graphic design services. Jeanne Thompson 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 Jeanne Thompson is the spouse of Anthony Thompson who is a full-time Research Assistant II in the Department of Pharmacology at the University of Iowa.

- Purchasing Authority The University reports that:
- Anthony Thompson does not have any order or payment authority for her department;
 - Anthony Thompson has not been issued a University procurement card;
 - Anthony Thompson does not have any decision making authority to determine vendors selected for goods and services; and
 - The Department of Pharmacology will not enter into any transactions with RISHdesign.

IOWA STATE UNIVERSITY

Proplanner™

- Nature of Business Proplanner™ provides engineering products/services to the manufacturing industry. David Sly and Helena Poist own the company, which is located in Ames, Iowa. The University requests that the company be added to the list of approved vendors.
- Employee Relationship David Sly is a part-time adjunct instructor in the Industrial Engineering Department and Helena Poist is a part-time adjunct lecturer in the Marketing Department at the University. Helena Poist is the spouse of Richard Poist, a full-time professor in the College of Business at the University.

Purchasing Authority

The University reports that:

- David Sly, Helena Poist, and Richard Poist will not participate in any evaluation or award decisions relative to providing goods or services to the University.
- David Sly, Helena Poist, and Richard Poist will conduct Proplanner™ business outside the workplace and on their own time.
- The Industrial Engineering, Marketing, Business Departments and Logistics and MIS departments will not enter into any transactions with Proplanner™.

Employees agree that if the Board approves the request, they will not:

- Request that the University acquire Proplanner™ software in connection with teaching applications;
- Promote the use of the company's software services;
- Design classroom projects for the benefit of Proplanner™, but rather for the benefit of students;
- Have input to university purchasing or payment decisions related to ProPlanner™;
- Participate in any evaluation or award decisions;
- Provide signatory authorizations involving decisions to purchase or pay for ProPlanner™ products;
- Sell to their own departments;
- Channel purchases through a spouse or minor child; and
- Participate in preparation of specifications, qualifying vendors, selection of successful bidders or approving payment on products and services for which they have an interest.

Employees agree that company sales to the University in excess of \$2,000 will be pursuant to competitive bids and sales less than \$2,000 will be authorized in advance.

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.
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Andrea L. Anania

Approved: 
Gregory S. Nichols