

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Approval of Vendors with Potential Conflicts of Interest
Date: April 8, 2002

Recommended Action:

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

- BioDevices Corporation
 - Scientific Solutions, Inc.
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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.

BioDevices Corporation

Nature of Business: BioDevices Corporation produces and sells water quality monitoring instruments. The company is located in Ames, Iowa.

Employee Relationship: William B. Robertson, who owns and operates BioDevices Corporation, is a Laboratory Supervisor for the Biomedical Sciences Department in the College of Veterinary Medicine.

Purchasing Authority: The University reports that Mr. Robertson will not participate in any evaluation or award decisions relative to his company providing products to Iowa State University.

Scientific Solutions, Inc.

Nature of Business: Scientific Solutions, Inc. is a company that offers consulting services on external grants and contracts. The company is located in Nevada, Iowa.

Employee Relationship: M. Robert Dawson, Ph.D., who owns and operates Scientific Solutions, Inc., is a former Professional and Scientific staff member at Iowa State University and is a current "Affiliate Faculty" member with the ISU Geological and Atmospheric Sciences Department. He is not compensated for this association. Mr. Dawson's wife is a Temporary Assistant Professor in the same Department at ISU.

Purchasing Authority: The University reports that neither Dr. Dawson nor Mrs. Dawson will not participate in any evaluation or award decisions relative to Dr. Dawson / Scientific Solutions, Inc., providing goods or services to ISU.

Background:

Iowa Code

The Iowa Code:

- Does not alleviate the requirement for institutions to obtain competitive bids and provide public notice [§68B.3].
- 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 [§68B.4].
- Requires all regulatory agencies to adopt rules specifying the method by which employees may obtain agency consent for exception [§68B.4(4)].

Regent Policy Manual

The Regent Policy Manual:

- 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 [§10.09.A].
- 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 [§10.09.B].
- 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 [§10.09.E].


Andrea L. Anania

Approved: 
Gregory S. Nichols