

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Approval of Vendors with a Potential Conflict of Interest
Date: February 10, 2003

Recommended Action:

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

- Boddy Media Group, Inc. (Patricia L. Boddy)
 - B & D Market Solutions
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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. Once the Board approves a vendor, any Regent institution or the Board Office may use that vendor.

**Boddy Media Group, Inc.
(Patricia L. Boddy)**

Nature of Business: Boddy Media Group, Inc. is a communications company that provides market research, facilitation, and video production services. Patricia L. Boddy owns the company, which is located in Clive, Iowa. Ms. Boddy would like to provide services to Iowa State University.

Employee Relationship: Patricia L. Boddy's husband, Robert Davis, is employed as a part-time afternoon host of WOI Radio at Iowa State University.

Purchasing Authority: The University reports that Mr. Davis will not participate in any evaluation or award decisions relative to Boddy Media Group, Inc. providing goods or services to ISU.

B & D Market Solutions

Nature of Business: B & D Market Solutions provides marketing research services to companies and organizations.

Employee Relationship: The principals of B & D Market Solutions are Michael J. Barone and Thomas E. DeCarlo, whom are both Associate Professors in the Marketing Department at Iowa State University.

Purchasing Authority: Mr. Barone and Mr. DeCarlo will not participate in any evaluation or award decisions relative to their providing goods or services to ISU.

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.


Andrea L. Anania

Approved: 
Gregory S. Nichols