

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Approval of Vendors with a Potential Conflict of Interest  
**Date:** October 9, 2000

**Recommended Action:**

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

- University of Iowa – ComputerDesign, Inc.
- Iowa State University – D.R. Farni Enterprises

**Executive Summary:**

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

The University of Iowa requests that ComputerDesign, Inc., a company that builds new and upgrades old computer hardware, be added to its approved vendor list. The University indicates that the identified employees associated with this company, Shelley Plattner and Jeremy Richardson, will not be involved in the decision making process for acquiring the products or services.

Iowa State University requests to add D.R. Farni Enterprises, a construction and general contractor that provides agricultural services such as planting, drilling, and other field work, to its approved vendor list. ISU states that the associated employee, Mrs. Ann Coppernoll Farni, will not participate in any evaluation or award decisions relative to the services provided by D.R. Farni Enterprises.

A summary of institutional expenditures with approved conflict of interest vendors is included in the annual purchasing report presented to the Board in November.

**Background:**

Iowa Code §68B.4 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. The Iowa Code requires all regulatory agencies to adopt rules specifying the method by which employees may obtain agency consent for exception.

The Board's adopted rules are incorporated in the Board of Regents Procedural Guide §10.09. Board authorization is required 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.

The Board's authorization of a vendor with a potential conflict of interest does not alleviate the requirement to obtain competitive bids and provide public notice as prescribed in Iowa Code §68B.3.

Board rules preclude individuals with potential conflicts from being directly involved in the purchasing decisions or authorizing of any such contracts as well as making material changes to such contracts.

**Analysis:**

UNIVERSITY OF IOWA


The University of Iowa wishes to add ComputerDesign, Inc., owned by University employees Shelley Plattner and Jeremy Richardson, to its list of approved vendors with a potential conflict of interest. ComputerDesign, Inc., located in Iowa City, Iowa, builds new and upgrades old computer hardware.

Shelley Plattner is the director of the Microscopy and Imaging Facility in the Department of Biological Sciences. Jeremy Richardson is an electronics shop technician in the Department of Biological Sciences. Both employees have limited responsibilities relating to network or computer hardware issues and are aware that no business is to be conducted with their employing department. Any work performed for ComputerDesign, Inc. will be conducted strictly on evenings and weekends.

IOWA STATE UNIVERSITY

Iowa State University wishes to add D.R. Farni Enterprises to its list of approved vendors with a potential conflict of interest. D.R. Farni Enterprises is a construction and general contractor that provides agricultural services such as planting, drilling, and other field work.

D.R. Farni Enterprises is owned by Doug Farni. Ann Coppernoll Farni, Doug Farni's wife, is employed by the Iowa State University as a program coordinator in the College of Business. The University states that Ann Coppernoll Farni will not participate in any evaluation or award decisions relative to D.R. Farm Enterprises.

  
\_\_\_\_\_  
Andrea L. Anania

Approved:   
\_\_\_\_\_  
Frank J. Stork