

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Approval of Vendors with Potential Conflicts of Interest  
**Date:** November 4, 2002

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**Recommended Action:**

Approve Wilson Sales Company / John Wilson to Iowa State University's list of approved vendors with a potential conflict of interest.

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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.

**Wilson Sales Company /  
John Wilson**

**Nature of Business:** Wilson Sales Company is a Master Plumbing Parts Wholesaler located in Randall, Iowa. John Wilson is the owner of the company. Mr. Wilson would like to sell his products to Iowa State University.

**Employee Relationship:** John Wilson's wife, Julie Wilson, is employed as a Clerk in the Student Financial Aid Office at Iowa State University.

**Purchasing Authority:** The University reports that:

- Ms. Wilson will not participate in any evaluation or award decisions relative to Wilson Sales Company providing goods or services to Iowa State University; and
- Whenever a conflict exists, the University will obtain competitive bids and provide public notice as prescribed in Iowa Code §68B.3.

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**Background:**

Requirements

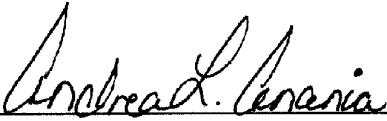
The Iowa Code [68B]:

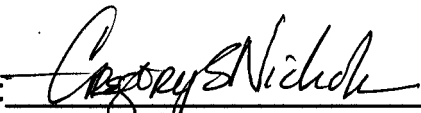
- Does not alleviate the requirement for institutions to obtain competitive bids and provide public notice.
- Prohibits an official or employee of a regulatory agency from selling, either directly or indirectly, goods or services to the agency of which the individual is an official or employee, except 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.

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Andrea L. Anania

Approved:   
Gregory S. Nichols