

Sample Uniform Federal Grant Guidance Conflict of Interest Policy

Note: Standard Terms & Conditions accompanying ARPA grant awards require that recipients maintain written policies governing conflicts of interest and gifts. This sample policy contains relevant language from the Uniform Guidance, 2 C.F.R. § 200.318.

Municipalities are strongly urged to review local charters, ordinances and policies and consult with legal counsel before adopting this policy.

Municipality of _____

Conflict of Interest Policy for Local Fiscal Recovery Fund Projects

2 CFR § 200.318

I. Purpose

The purpose of this policy is to establish conflict of interest guidelines that meet requirements under 2 C.F.R. § 200.318(c)(1) for procuring goods, services, and construction or repair projects funded in whole or part by federal Local Fiscal Recovery Funds received pursuant to the American Rescue Plan Act (“ARPA”)(Pub. L. No. 117-2, March 11, 2021).

II. Policy

This policy applies when the municipality procures goods (apparatus, supplies, materials, and equipment), services, and construction or repair projects funded in part or whole with federal Local Fiscal Recovery Funds received pursuant to the American Rescue Plan Act (ARPA). This policy also applies to any subrecipient of the ARPA funds.

The employee(s) or official(s) responsible for managing the ARPA award shall review the notice of award to identify any additional conflict of interest prohibitions or requirements associated with the award, and shall notify all employees, officers, officials and agents, including subrecipients, of the requirements of this policy and any additional prohibitions or requirements.

A. Conflicts of Interest. No officer, official, employee, or agent of the municipality may participate directly or indirectly in the selection, award, or administration of a contract supported by ARPA funding if he or she has a real or apparent conflict of interest. A real or apparent conflict exists when any of the following parties has a financial or other interest in or receives a tangible personal benefit from a firm considered for award of a contract:

1. the employee, officer, official or agent involved in the selection, award, or administration of a contract;
2. any member of his or her immediate family;
3. his or her partner; or
4. an organization which employs or is about to employ any of these parties.

Any officer, official, employee or agent with an actual, apparent, or potential conflict of interest as defined in this policy shall report the conflict to his or her immediate

supervisor or, in the case of a board member, shall make disclosure to at a duly noticed board meeting. Any such conflict shall be disclosed in writing to the federal award agency or pass-through entity in accordance with applicable U.S. Treasury (awarding agency) policy.

- B. Gifts.** Officers, officials, employees, and agents of the municipality are prohibited from accepting or soliciting gifts, gratuities, favors, or anything of monetary value from contractors, suppliers, or parties to subcontracts. Items of nominal value valued at less than \$25 which fall into one of the following categories may be accepted:
1. promotional items;
 2. honorariums for participation in meetings; or
 3. meals furnished at banquets.

Any officer, official, employee or agent who knowingly accepts an item of nominal value allowed under this policy shall report the item to his or her immediate supervisor, or in the case of a board member, to the board.

III. Violation

Employees or appointed officials violating this policy will be subject to discipline consistent with applicable policy, charter, ordinance or law, which may include termination or removal from office. Elected officials violating the policy may be subject to censure or other penalty consistent with any municipal charter. Violation of this policy by a contractor or subrecipient may result in breach or termination of the contract and will impact the contractor's eligibility for future contract awards.

Adopted by the Municipal Officers on _____, 20_____.

Signature

Date

Signature

Date

Signature

Date