



Town of Kill Devil Hills
Finance Department
P.O. Box 1719
Kill Devil Hills, NC 27948

MEMORANDUM

October 8, 2019

To: Debbie Diaz, Town Manager

From: Beverly Kissinger, Finance Director

RE: Conflict of Interest Policy

The Office of Budget and Management (OMB) has officially implemented its Uniform Administrative Requirements, Cost Principles, and Audit Requirements, commonly referred to as Uniform Guidance (UG). These requirements are especially important for local governments and public authorities that expend federal financial assistance such as FEMA, CDBG funds, USDA grants and other programs.

Some units of government may not receive or expend federal financial assistance on a routine basis; however, the requirements still apply any time they do expend federal financial assistance. UG procurement standards require that each unit of government maintain its own documented procedures that reflect the requirements of the standards. One key element of the of the UG procurement standards states that a unit of government must maintain written policies and procedures of conduct covering conflicts of interest and governing the action of its employees, officers, or agents engaged in the selection, award, and administration of contracts. The attached Conflict of Interest Policy is recommended for adoption as it is compliant with the federal UG standards.



TOWN OF KILL DEVIL HILLS

Land Where Flight Began

TOWN OF KILL DEVIL HILLS

UNIFORM GUIDANCE CONFLICT OF INTEREST AND GIFTS POLICY

A. Purpose: The purpose of this policy is to establish conflicts of interest guidelines that meet or exceed the requirements under state law and local policy when procuring goods (apparatus, supplies, materials, and equipment), services, and construction or repair projects paid for in part or whole by federal funds and required under 2 C.F.R. §200.318(c)(1).

B. Policy: This policy applies when procuring goods (apparatus, supplies, materials, and equipment), services, and construction or repair projects funded in part or whole with federal financial assistance (direct or reimbursed). This policy also applies to any sub-recipient of the funds.

The employee responsible for managing the federal financial assistance award shall review the notice of award to identify any additional conflicts of interest prohibitions or requirements associated with the award, and shall notify all employees, officers, and agents, including sub-recipients, of the requirements of this policy and any additional prohibitions or requirements.

1. Conflicts of Interest. In addition to the prohibition against self-benefiting from a public contract under G.S. 14-234, no officer, employee, or agent of the Town of Kill Devil Hills may participate directly or indirectly in the selection, award, or administration of a contract supported by a federal award 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:

- a. the employee, officer, or agent involved in the selection, award, or administration of a contract;
- b. any member of his or her immediate family;
- c. his or her partner; or
- d. an organization which employs or is about to employ any of these parties.

Any officer, 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. Any such conflict shall be disclosed in writing to the federal award agency or pass-through entity in accordance with applicable Federal awarding agency policy.

2. Gifts. In addition to the prohibition against accepting gifts and favors from vendors and contractors under G.S. 133-32, officers, employees, and agents of the Town of Kill Devil Hills 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 \$100.00 which fall into one of the following categories may be accepted:

- a. promotional items;
- b. honorariums for participation in meetings; or
- c. meals furnished at banquets.

Any officer, 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.

C. Violation: Employees violating this policy will be subject to discipline up to and including termination. Contractors violating this policy will result in termination of the contract and may not be eligible for future contract awards.

Adopted this _____ of _____, 2019.

SEAL

Sheila F. Davies, Ph.D.
Mayor

ATTEST:

James Michael O'Dell
Deputy Town Clerk



TOWN OF KILL DEVIL HILLS

Land Where Flight Began

Town of Kill Devil Hills

Project/Contract: _____

As a member of the Kill Devil Hills governing board, staff, or other purchasing agent for the Town of Kill Devil Hills, I realize that I have an obligation to disclose and eliminate any potential or actual duality of interest or conflict of interest. I am familiar with the project/contract referenced above and have reviewed all items made available to me regarding same. Further, I affirm as follows:

Having stated that I am aware of the above stated project/contract for the Town of Kill Devil Hills, I also state that I am:

_____ aware duality or conflicts of interest exist related to this project/contract, and hereby voluntarily disclose the following conflicts of interest:

_____ not aware of any duality or conflicts of interest related to this project/contract.

I hereby certify that I have read, understand and agree to the Town of Kill Devil Hills Policy with respect to procurement and duality or conflicts of interest, and that the information given in this statement is complete and accurate to the best of my knowledge.

Employee Signature

Position with the Town of Kill Devil Hills

Printed Name

Date