

## City of Winston-Salem Uniform Guidance Conflict of Interest and Gifts Policy

### I. Purpose

When spending federal award funds, local governments are required to adopt written policies governing conflicts of interest and gifts. 2 C.F.R. § 200.318(c)(1). This policy contains language found in the relevant sections of the Uniform Guidance, 2 C.F.R. Part 200, relating to conflicts of interest and gifts. The purpose of this policy is to establish gifts and conflicts of interest guidelines that meet the Uniform Guidance requirements. To the extent the City's Ethics Policy and state law requirements exceed the Uniform Guidance requirements regarding gifts and conflicts of interest, the City's Ethics Policy and state law must be followed 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).

### II. 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 subrecipient 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 subrecipients, of the requirements of this policy and any additional prohibitions or requirements.

**A. Conflicts of Interest.** In addition to the prohibition against self-benefiting from a public contract under G.S. 14-234 and the City's Ethics Policy, no officer, employee, or agent of the City of Winston-Salem 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:

1. the employee, officer, 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, 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.

**B. Gifts.** In addition to the prohibition against accepting gifts and favors from vendors and contractors under G.S. 133-32 and the City's Ethics Policy, officers, employees, and agents of the City of Winston-Salem 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 \$25 or less 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, 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.

### **III. 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.

**Effective Date: This policy shall become effective July 1, 2018.**