

TOWN OF MONTREAT
CONFLICT OF INTEREST POLICY

Adopted: JULY 12, 2017

Purpose: To establish conflict of interest guidelines for all Town officials and employees 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) in accordance with the following principles:

1. The proper operation of democratic government requires that public officials and employees be independent, impartial and responsible to the people;
2. Governmental decisions and policies shall be made through the proper channels of governmental structure;
3. Public office or employment shall not be used for personal gain; and,
4. The public shall have confidence in the integrity of its government.

It is the responsibility of everyone covered by this policy to act in the best interests of the Town at all times and to make certain that s/he refrains from placing himself or herself in positions that may produce conflicts of interest. When federal funds are involved, 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.

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.

Definitions: For the purposes of this policy, the following definitions shall apply:

Business Entity means any business, proprietorship, firm, partnership, person in representation or fiduciary capacity, association, venture, trust or corporation which is organized for financial gain or profit.

Immediate Family Member means a spouse, mother, father, legal guardian, child, sister, brother, grandparent, grandchild and the various combinations of half, step, in-law and adopted relationships regardless of marital status.

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Interest means any direct or indirect pecuniary or material benefit accruing as a result of a contract or transaction which is or may be the subject of an official act or action by or with the Town of Montreat.

Official Act or Action means any legislative, administrative, appointive or discretionary act of any appointed Board or Commission member or elected official, or any action passed by a majority vote of the Montreat Board of Commissioners.

Town Official means the Mayor, members of the Montreat Board of Commissioners, appointees to any Town Boards, Commissions or Committees, individuals appointed to represent or serve on behalf of the Town of Montreat on a board, commission or committee founded by an outside entity, and any full-time, part-time, regular, probationary, temporary, trainee or volunteer employee as defined under Article I, Section 7 of the Town of Montreat Personnel Policy.

Standards of Conduct:

- A. 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 Montreat may participate directly or indirectly in the selection, award, or administration of a contract 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.

The Mayor or any member of the Montreat Board of Commissioners who has an interest in an official act or action shall publicly disclose the nature of their interest and shall withdraw from voting upon that matter if excused by a majority vote of the Montreat Board of Commissioners pursuant to N.C.G.S. §160A-75. Any officer, employee, or agent

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with an actual, apparent, or potential conflict of interest as defined in this policy shall report the conflict to his or her immediate supervisor. When federal funds are involved 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.

- C. Use of Official Position. No Town Official shall use his or her official position or the Town's facilities for private or political gain. In addition, no Town Official shall misuse their status in such a way as to require, expect or accept favors from subordinate employees.
- D. Disclosure of Information. No Town Official shall use or disclose confidential information gained in the course of or by reason of his or her official position for the purposes of advancing:
1. His or her financial or personal interest;
 2. A Business Entity of which s/he is an owner(in part or in whole), an officer or a director; or
 3. The financial or personal interest of an Immediate Family Member or that of any other person.
- E. Incompatible Service. No Town Official shall engage in, or accept private employment or render service for private interest, when such employment or service is incompatible with the proper discharge of the Official's public duties or would tend to impair independence of judgment or action in the performance of his or her official duties unless otherwise permitted by law and unless disclosure is made and provided in this Policy. Before accepting private employment, the Town Official should consider whether such employment would negatively impact the Town.
- F. 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 Montreat 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 \$50.00 which fall into one of the following categories may be accepted:

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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.

No Town Official shall solicit, accept or receive any gift having a value exceeding \$50.00, pursuant to Article V, Section 7 of the Town of Montreat Personnel Policy.

- G. Special Treatment. No Town Official shall grant any special consideration, treatment or advantage to any citizen or public or private entity beyond that which is available to every other citizen or entity.
- H. 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.