ESEA Monitoring FACTSHEET

Maine Department of Education

E-3 Procurement Standards (Conflict of Interest)

As the pass-through entity for federal education funds, the Maine Department of Education (Maine DOE) has developed this guidance document to support subrecipients of federal programs in complying with the statutory requirements for the financial management of federal funds.

This document is intended to provide general guidance from the Maine DOE. Subrecipients participating in the ESEA Consolidated Program are encouraged to consult the full text of the applicable regulations governing the use of federal funds, including those outlined in the Elementary and Secondary Education Act (ESEA) and the Code of Federal Regulations (CFR).

Please note that subrecipients bear full responsibility for ensuring compliance with all relevant federal regulations.

Definitions:

No unique terms need to be defined for this monitoring item.

Statutory Requirements:

200.318(c)

State Guidance: The pass-through entity must have a written staff code of conduct policy covering procurement issues including conflict of interest, gratuities, and violations.

Relevant Documentation: A written staff code of conduct policy.
For example:
   PURCHASING AND CONTRACTING: PROCUREMENT STAFF CODE OF CONDUCT
Conflict of Interest
All employees of the school unit shall perform their duties in a manner free from conflicts of interest to ensure that the school unit's business transactions are made in compliance with applicable laws and regulations and in a manner that maintains public confidence in the schools.
No employee, officer, or agent of the school unit may participate 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 conflict of interest would arise when the employee, officer, or agent-or any member of his or her immediate family, his or her partner, or an organization that employs or is about to

employ any of the parties indicated herein-has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. For this policy, "immediate family" is defined as a spouse, brother, sister, parent, son, or daughter.

<u>Conflict of Interest Disclosure</u>

All employees, officers, or agents with real or apparent conflicts of interest as defined above must disclose the conflict of interest to the Superintendent who will investigate the circumstances of the proposed transaction. The Superintendent will exercise due diligence in investigating the circumstances of the transaction and, if necessary, will make reasonable efforts to find alternatives to the proposed transaction or arrangement that would not give rise to a conflict of interest. If the Superintendent determines that the proposed transaction is in the best interest of the school unit and is fair and reasonable, he or she may proceed with the transaction. If the Superintendent has a conflict of interest, an ad hoc subcommittee of the School Board will investigate and determine the validity of the conflict of interest.

<u>Gifts and Solicitations</u>

The employees, officers, and agents of the school unit may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. 2 Employees, officers, and agents of the school unit may accept unsolicited items of nominal value such as those that are generally distributed by a company or organization through its public relations program.

<u>Violations</u>

Employees of the school unit who violate this code of conduct may be subject to discipline, up to and including termination of employment and, if appropriate, referral to law enforcement.

Legal Reference: 2 CFR § 200.318 (Uniform Administrative Requirements—General Procurement Standards) (for federal awards made on or after 12/26/2014)

Technical Assistance:

Please feel free to contact the ESEA Management Analyst at the Maine DOE if you have any questions relative to the contents of this document or the requirements for leveraging these Federal funds.