

## **Standard of Conduct/Conflict of Interest**

As a pass-through entity for Federal Education funds, the New Hampshire Department of Education (NHDOE) has prepared this **Standard of Conduct/Conflict of Interest Fact Sheet** to assist Federal program subrecipients (grantees) with the development and implementation of standard of conduct/conflict of interest policies and procedures required for procurement(s) using Federal dollars.

This information is being provided by the NHDOE as general compliance guidance only. Subrecipients of Federal funds should refer to the full text of the regulations which can be found at <https://www.gpo.gov/fdsys/pkg/CFR-2014-title2-vol1/pdf/CFR-2014-title2-vol1-sec200-318.pdf> when developing their own procurement standard of conduct/conflict of interest policies and procedures.

Subrecipients of Federal funds are solely responsible for meeting all applicable Federal regulations.

### **Federal Standard of Conduct/Conflict of Interest Requirements**

In accordance with 2 CFR 200.318(c)(1), a non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts (procurement) using Federal funds. The standards must address the following;

1. No employee, officer, or agent shall 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. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which 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.
2. The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. [For informational purposes, the following link is being provided as it relates to the term nominal value - <http://www.gencourt.state.nh.us/rsa/html/i/15-B/15-B-mrg.htm>].
3. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

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This document is not a substitute for the advice of your own attorney and/or law firm licensed to practice law in the state of New Hampshire. In reading and applying Federal law, we recommend that you seek and obtain the advice of counsel with questions of application, interpretation, and/or to ensure that use of this information is appropriate to your particular situation.

The New Hampshire Department of Education does not discriminate on the basis of race, color, religion, marital status, national/ethnic origin, age, sex, sexual orientation, or disability in its programs, activities and employment practices.

Also, in accordance with 2 CFR 200.318(c)(2) if the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

### **Definitions (2 CFR 200.1)**

**Non-Federal entity** means a state, local government, Indian tribe, Institution of Higher Education (IHE), or nonprofit organization that carries out a Federal award as a recipient or a **subrecipient**.

### **Federal Compliance Monitoring**

As part of the NHDOE's annual Federal Compliance Monitoring program, staff from the NHDOE's Bureau of Federal Compliance may review standard of conduct/conflict of interest policies and procedures as they relate to procurement(s) using Federal funds. The Bureau of Federal Compliance will use the requirements of 2 CFR 200.318(c)(1) and 2 CFR 200.318(c)(2) when completing such reviews.

### **Technical Assistance**

Please feel free to contact the Bureau of Federal Compliance staff should you have any questions relative to the contents of this document or to developing a Federally compliant standard of conduct/conflict of interest policy/procedure.

Bureau of Federal Compliance  
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