

**RESOLUTION NO. R-040824-2**

**AMERICAN RESCUE PLAN ACT**

**STATE & LOCAL FISCAL RECOVERY FUNDING**

**STANDARDS OF CONDUCT  
AND  
CONFLICT OF INTEREST POLICY**

**CITY OF PORT LAVACA**

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## SECTION 1 – PRINCIPLES & VALUES

The City’s management of the ARPA-SLFRF efforts are governed by an unyielding commitment to our Standards of Conduct and Conflict of Interest Policies (the Standards). Decisions and actions are made with the highest degree of integrity. The Standards are based on honesty, objectivity, fairness, and respect.

These City of Port Lavaca’s core principles and values guide relationships within our community, and all of those impacted by the use of ARPA-SLFRF funds including beneficiaries, subrecipients, consultants/contractors, vendors, awardees, local officials, staff, and all individuals who are directly affiliated with ARPA-SLFRF recovery efforts:

- **Integrity.** We will act in a lawful and ethical manner, never knowingly violating any law or our principles and standards of ethical conduct in the selection, award, and administration of all ARPA–SLFRF transactions.
- **Stewardship, Trust, & Service.** We will serve the people of our community to ensure an equitable recovery effort while following the prescribed rules of managing taxpayer resources.
- **Equity.** We will strive for a community that is fair for everyone and will ensure ARPA-SLFRF funded activities are selected and managed with equity fully in mind.
- **Transparency.** We will disclose any conflicts of interest we may have (or be made aware of) related to our responsibilities to the applicable parties including the State of Texas Ethics Commission, our internal Conflict of Interest Point of Contact, and the U.S. Treasury, and remove conflicts when necessary.
- **Honesty & Communication.** We will work to ensure an environment where employees (and all engaged stakeholders) are encouraged to seek advice, report misconduct, or question a business practice in good faith and without retaliation.
- **Partnership and Respect.** We will work with others who share our objectives and values and respect our stakeholders and fellow staff members, treating others with fairness and courtesy.

## SECTION 2 – RESOURCE REFERENCES

Multiple federal, state, and local conduct and conflict of interest related laws govern the ARPA-SLFRF funded activities. ARPA funds are primarily governed by the ARPA regulations, the jurisdiction’s signed agreement to the [ARPA-SLFRF Terms and Conditions](#), and specific requirements of 2 CFR § 200.318(c). The conflict of interest policy applies to each activity funded under the ARPA-SLFRF award. Recipients (and subrecipients) must disclose in writing to the U.S. Treasury or the pass-through entity, as appropriate, any conflict and/or potential conflict of interest affecting the awarded funds in accordance with 2 CFR § 200.

This policy also aligns with and adheres to existing local and State of Texas requirements. While the following is not a fully exhausted list, the standards outlined in this policy conform with the following applicable federal and state regulations. Existing municipal, county and state-level adopted policies will also apply and may be referenced throughout this document as well, and where overlapping policies are

identified, the most stringent application should apply.

**Uniform Guidance 2 CFR 200:**

- [2 CFR 200.318\(c\)](#)
- [§ 200.112 Conflict of interest](#). The Federal awarding agency must establish a conflict of interest policy for Federal awards. The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity by applicable Federal awarding agency policy.

**State of Texas:** The following includes references to additional relevant State of Texas conflict of interest and disclosure laws applicable to city officials, employees, and vendors. A home rule charter, local policy, or ordinance may provide for more stringent requirements in some circumstances.

- <https://www.ethics.state.tx.us/resources/laws-regulations/>
- [Local Government Code Chapter 171: Real Property and Business Interests](#)
- [Local Government Code Chapter 176: Income and Gifts from and Family Relationships with Vendors](#)
- [Government Code Chapter 552: Public Information](#)
- [Government Code Chapter 572 Open Govt; Ethics. Personal Financial Disclosure, Standards of Conduct, and Conflict of Interest](#)
- [Local Government Code Chapter 145: Financial Disclosure in Cities with a population of 100,000 or more](#)
- [Government Code Section 2252.908 Vendor Disclosure of Interested Parties \(Form 1295\)](#)
  - <https://www.ethics.state.tx.us/>
  - [https://www.ethics.state.tx.us/resources/FAQs/FAQ\\_Form1295.php](https://www.ethics.state.tx.us/resources/FAQs/FAQ_Form1295.php)
  - <https://www.ethics.state.tx.us/filinginfo/videos/Form1295/CreateCertificate/CreateCertificate.html>
  - <https://www.ethics.state.tx.us/data/filinginfo/1295Changes.pdf>
- [https://www.ethics.state.tx.us/statutes/ch36\\_39.php](https://www.ethics.state.tx.us/statutes/ch36_39.php)
- [Texas Penal Code Title 8 Chapter 36 Bribery and Corrupt Influence](#)
- [Texas Penal Code Title 8, Chapter 39 Abuse of Office](#)
- [Chapter 305, Registration of Lobbyists and Chapter 34, Commission Rules: Regulations of Lobbyists \( https://www.ethics.state.tx.us/resources/lobby/](#)
- [Texas Ethics Commission – Lobbying in Texas – A Guide to the TX Law](#)

**External Resource Reference Guides:**

- [TX Ethics Commission A Guide to Ethics Laws for State Officers and Employees](#)
- [TX Municipal League COI Disclosure Laws for City Officials, Employees and Vendors](#)

In the event of any discrepancy between the provisions of Federal and local regulations, the most stringent provision will prevail. This Policy does not supersede the authority and duty to comply with the laws and regulations cited above.

This Standard of Conduct and Conflict of Interest Policy will be made available to government officers and employees as well as other identified stakeholders so that they are aware of shared responsibilities, individually or jointly, to ensure that the objectives of the Policy are fully met.

Vendors, contractors, and subcontractors must also be made aware of their responsibilities related to the City's Standard of Conduct and Conflict of Interest Policy.

This Policy should align with and adhere to existing local and State of Texas requirements as well as 2 CFR § 200.318(c), as agreed upon within the executed ARPA-SLFRF Terms and Conditions.

## SECTION 3 – DEFINITIONS

- **Business Entity** means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, or any other entity recognized by law.
- **Conflict of Interest (COI)** is an actual or potential COI situation described at 2 CFR 200.318(c)(1) or (c)(2). The term also includes situations that create, or may create, an unfair competitive advantage, or the appearance of such.
- **COI Point of Contact** means the individual identified in Section 7 of this Policy designated to receive, review, and coordinate necessary guidance, disclosures, and reporting steps as applicable to federal, state, and local handling requirements of all real or potential conflict of interests.
- **Contract** means, for the purpose of Federal Financial Assistance, a legal instrument by which the Entity purchases property or services needed to carry out a program or project under a Federal award, not limited to but including agreements, memorandums of understanding, and purchase orders properly executed with the recipient (or subrecipient).
- **Contractor** means an entity or individual that receives a Contract.
- **Covered Individual** means a Public Officer, employee, or agent of the City.
- **Covered Nonprofit Organization** means a nonprofit corporation, organization, or association, incorporated or otherwise, that is organized or operating for religious, charitable, scientific, literary, public health and safety, or educational purposes, excluding any board, entity, or other organization created by the State or any political subdivision of the State (including the City).
- **Covered Transaction** is a non-procurement or procurement transaction that is subject to the prohibitions outlined within this Policy.
- **Direct Benefit** means, with respect to a Public Officer or employee of the City or the spouse of any such Public Officer or employee, (i) having a ten percent (10%) ownership interest or other interest in a Contract or Subaward; (ii) deriving any income or commission directly from a Contract or Subaward; or (iii) acquiring property under a Contract or Subaward.
- **Equity** means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay,

bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

- **Federal Financial Assistance** means Federal financial assistance that the City receives or administers in the form of grants, cooperative agreements, non-cash contributions or donations of property (including donated surplus property), direct appropriations, food commodities, and other Federal financial assistance (except that the term does not include loans, loan guarantees, interest subsidies, or insurance).
- **Gifts** means payment or enrichment without equivalent retribution or of lesser value. Includes, but is not limited to, money, goods, or any other object, favorable economic opportunities, tips, concessions, benefits, discounts, privileges, or special considerations.
- **Governing Board** means the City Council of the City of Port Lavaca.
- **Immediate Family Member** is described at 2 CFR 200.465(c)(4) and means, with respect to any Covered Individual, (i) a spouse, and parents thereof, (ii) a child, and parent thereof, (iii) a parent, and spouse thereof, (iv) a sibling, and spouse thereof, (v) a grandparent and grandchild, and spouses thereof, (vi) domestic partners and parents thereof, including domestic partners of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with the Covered Individual is the equivalent of a family relationship.
- **Involved in Making or Administering** means (i) with respect to a Public Official or employee, (a) overseeing the performance of a Contract or Subaward, or having authority to make decisions regarding a Contract or Subaward or to interpret a Contract or Subaward, or (b) participating in the development of specifications or terms or the preparation or award of a Contract or Subaward, (ii) only with respect to a Public Official, being a member of a board, commission, or other body of which the Public Official is a member, taking action on the Contract or Subaward, whether or not the Public Official participates in that action.
- **Local Government Officer** is defined as a member of the governing body of a local governmental entity; Mayor, Council Members, local government corporation board members, the City Manager, and employees or other agents of a local governmental entity who exercise discretion in the planning, recommending, selecting, or contracting of a vendor. Also see ---“*local public official*” which means a member of the governing body or another officer, whether elected, appointed, paid, or unpaid, of any district (including a school district), county, municipality, precinct, central appraisal district, transit authority or district, or other local governmental entity who exercises responsibilities beyond those that are advisory in nature.
- **Non-Federal Entity** is defined at 2 CFR 200.1.
- **Pass-Through Entity** means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.
- **Public Officer** means an individual who is elected or appointed to serve or represent the City (including, without limitation, any member of the Governing Board), other than an employee or

independent contractor of the City. Other names for the same position may include: “Public Servant” (Texas Penal Code, Ch’s 36 & 37, “Municipal Officer” (Texas Local Govt. Code Ch. 145), “Local Public Official” (Texas LGC Ch. 171), “Local Governmental Officer” (Texas LGC CH. 176), and “Public Official” (Texas Govt. Code Ch. 573).

- **Recipient (“ARPA Recipient”)** means an entity, usually but not limited to a non-Federal entity, that receives a Federal award directly from a Federal awarding agency. The term does not include Subrecipients or individuals that are beneficiaries of the award (2 CFR 200.1).
- **Related Party** means (i) an Immediate Family Member of a Covered Individual, (ii) a partner of a Covered Individual, or (iii) a current or potential employer (other than the City/County) of a Covered Individual, of a partner of a Covered Individual, or an Immediate Family Member of a Covered Individual.
- **Subaward** means an award provided by a Pass-Through Entity to carry out part of a Federal award received by the Pass-Through Entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.
- **Subcontract** means any agreement entered into by a Subcontractor to furnish supplies or services for the performance of a Contract or a Subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.
- **Subcontractor** means an entity that receives a Subcontract.
- **Subrecipient** means an entity, usually but not limited to a non-Federal entity, that receives a subaward from a Pass-Through Entity to carry out part of a Federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

## **SECTION 4 – CONFLICT OF INTEREST REQUIREMENTS IN TEXAS**

### **4.1 CONFLICT OF INTEREST STANDARDS OVERVIEW**

These standards of conduct contained herein are applicable to all procurement application selections, and/or ARPA-SLFRF funds disbursement activities. A common source of alleged wrongdoing revolves around conflicts of interest. Whether real or perceived, these allegations often arise out of situations involving personal financial gain, employment, or special treatment for family members or business relations. To protect all ARPA transactions from the undue influence of such conflicts and to bolster an equitable recovery process, the City of Port Lavaca will maintain this Standards of Conduct and Conflict of Interest Policy throughout the ARPA period of performance.

Prohibited Conflicts of Interest in Contracting. No City of Port Lavaca employee, officer, or agent (including Subrecipients) may participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. Such conflict of interest would arise when the employee, officer, or agent, any member of his or her 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. In the case of any aforementioned relationships, he/she shall not intervene, either directly or indirectly, in any matter related to them.

- Real Conflict of Interest. A real conflict of interest shall exist when the Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward.
- Apparent Conflict of Interest. An apparent conflict of interest shall exist where a real conflict of interest may not exist under Section 4 (4.2)(A), but where a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the appearance that a Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward.

### **4.2 CONFLICT OF INTEREST DISCLOSURE RESPONSIBILITIES**

Officers, employees, and agents of the governmental entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, other than an unsolicited item of nominal value that may be accepted under a written policy adopted by the City/County. This includes, but may not be limited to, gifts, gratuities, favors, benefits, loans, commissions, or other special discounts.

All persons covered by this policy shall fully disclose any real or potential conflicts of interest. Every person must report any act that violates the provisions of this Policy and Standards of Conduct. All persons shall collaborate with any investigation initiated by the City of Port Lavaca, the State of Texas or the Federal Government related to conflicts of interest.

The City/County shall adhere to Local Government Code Chapter 176 for specific requirements related



to governmental officer disclosures in Texas.

In addition to the expectation that all officers understand and follow local, state, and federal law, and review all solicitation/contract documents and provisions closely, the City's Port Lavaca designated COI Point of Contact (see [Section 5](#) of this document) will be available to provide guidance on the proper use of a disclosure form and other related code of conduct requirements and details including required federal, state, and local reporting timelines, as applicable.

### **4.3 FEDERAL, STATE, AND/OR AGENCY-LEVEL DISCLOSURES**

#### **4.3.10 CONFLICT OF INTEREST QUESTIONNAIRE (CIQ)**

CIQ: A questionnaire defined by Chapter 176, Texas Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

A vendor is required to file a conflict of interest questionnaire if the vendor has a business relationship with the City and has: (1) an employment or other business relationship with an officer or an officer's family member that results in the officer receiving taxable income that is more than \$2,500 in the preceding twelve months; (2) has given an officer or an officer's family member one or more gifts totaling more than \$100 in the preceding twelve months; or (3) has a family relationship with an officer.

A vendor is required to file a questionnaire not later than the seventh business day after the later of the following: (1) the date that the vendor begins discussions or negotiations to enter into a contract with the City or submits an application or response to a bid proposal; or (2) the date that the vendor becomes aware of a relationship or gives a gift to an officer or officer's family member, or becomes aware of a family relationship with an officer.

#### **4.3.11 CERTIFICATION OF INTERESTED PARTIES FORM 1295**

In 2015, the Texas Legislature adopted House Bill 1295, which added [Section 2252.908](#) of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million, or (3) is for services that would require a person to register as a lobbyist under Chapter 305 of the Government Code. The disclosure requirement applies to a contract entered into on or after January 1, 2016.

The Texas Ethics Commission was required to adopt rules necessary to implement that law, prescribe the disclosure of interested parties form, and post a copy of the form on the Commission's website. The Commission adopted the Certificate of Interested Parties form (Form 1295) on October 5, 2015.

The Commission also adopted new rules (Chapter 46) on November 30, 2015, to implement the law. The Commission does not have any additional authority to enforce or interpret House Bill 1295.

[The Conflict of Interest Questionnaire \(Form CIQ\) can be reviewed here.](#) *Note, this form copy is only for reference and cannot be filled out by hand. A vendor must use the filing application to generate the form and print it from there. Instructions for filing the form can be accessed [here](#).*

Also refer to <https://www.ethics.state.tx.us/> and **Section 2 – Resource References** of this document for additional links to access Form 1295 Frequently Asked Questions and related laws and regulations.

### **What Contracts Apply to Form 1295?**

The law applies only to a contract between a governmental entity or state agency and a business entity at the time it is voted on by the governing body or at the time it binds the governmental entity or state agency, or whichever is earlier, including an amended, extended, or renewed contract, of a governmental entity or state agency that either:

- requires an action or vote by the governing body of the entity or agency before the contract may be signed; or
- has a value of at least \$1 million or is for services that would require a person to register as a lobbyist under Chapter 305 of the Government Code. Gov't Code § 2252.908; 1 T.A.C. §§ 46.1(b), 46.3(a). The disclosure requirement applies to a contract entered into on or after January 1, 2016.

A contract does not require an action or vote by the governing body of a governmental entity or state agency if:

- the governing body has legal authority to delegate to its staff the authority to execute the contract;
- the governing body has delegated to its staff the authority to execute the contract; and
- the governing body does not participate in the selection of the business entity with which the contract is entered into.

### **4.3.12 CONFLICT OF INTEREST DISCLOSURES BY GOVERNMENT OFFICER (CIS)**

The notice to the appropriate local governmental entity when a local government officer has become aware of facts that require the officer to file this statement in accordance with [Chapter 176, Local Government Code](#). It provides the nature and extent of business and/or family relationships between officer and vendor and other disclosures, in accordance with Section 176.003 of the Local Government Code. This form is required to be filed with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of this statement.

1. An officer must file a statement if the officer or officer's family member has an employment or other business relationship with a vendor that results in the officer or officer's family member receiving taxable income of more than \$2,500 in the preceding twelve (12) months. An officer who only receives investment income, regardless of the amount, is not required to file a

disclosure statement. Investment income includes dividends, capital gains, or interest income gained from a personal or business checking or savings account or another similar account, a personal or business investment, or a personal or business loan.

2. An officer is required to file a statement if the officer or officer's family member accepts one or more gifts (including lodging, transportation, and entertainment accepted as a guest) from a vendor that has an aggregate value of more than \$100 in the preceding twelve months. An officer is not required to file a statement in relation to a gift, regardless of amount, if the gift: (1) is a political contribution; (2) is food accepted as a guest; or (3) is offered on account of kinship or a personal, professional, or business relationship independent of the official status of the recipient.
3. An officer is required to file a statement if the officer has a family relationship with the vendor.

## **SECTION 5 – GIFT STANDARDS**

[Chapter 36 of the Penal Code](#) prohibits public servants from accepting certain gifts or benefits. Violations of the laws in this chapter carry criminal penalties, and complaints alleging such violations are handled by local prosecutors, not by the Texas Ethics Commission.

Subject to the few exceptions set forth below and further described in the *Penal Code Section 36.08*, a Covered Individual may not solicit or accept gratuities, favors, or anything of monetary value from a Vendor/Contractor, or a Subcontractor or other direct recipients of ARPA-SLFRF related benefits.

**Exception.** A Covered Individual may accept an unsolicited gift from a Contractor or Subcontractor of one or more types specified below if the gift has an aggregate market value of \$20 or less per source per occasion, provided that the aggregate market value of all gifts received by the Covered Individual pursuant to this does not exceed \$50 in a calendar year:

- Honorariums for participating in meetings;
- Advertising items or souvenirs of nominal value; or
- Meals furnished at banquets.

Even if the acceptance of a gift is legally permissible, a governmental Officer or employee as well as vendors/contractors should always consider whether the gift raises the appearance of impropriety before giving or accepting.

**Internal Reporting.** A Covered Individual shall report any gift accepted to the COI Point of Contact. If required by regulation of a Federal awarding agency, the COI Point of Contact shall report such gifts to the Federal awarding agency.

- A subrecipient shall also report all potential instances of known or potential conflicts of interest to the City (also referred to as the ARPA Recipient or the Pass-Through Entity) and all instances of gifts, excluding those that fall within the exceptions outlined in 5.1(a).

## **SECTION 6 – VIOLATIONS OF POLICY**

Any alleged violations of the standards set forth in this Policy shall be immediately referred to the City's COI Point of Contact. The offending employee, officer, or agent will be subject to disciplinary actions that could result in their termination of employment.

**Disciplinary Actions for Covered Individuals.** Any Covered Individual that fails to disclose a real, apparent, or potential real or apparent conflict of interest arising concerning the Covered Individual or Related Party may be subject to disciplinary action, including, but not limited to, an employee's termination or suspension of employment with or without pay, the consideration or adoption of a resolution of censure of a Public Official by the Governing Board, or termination of an agent's contract.

**Disciplinary Actions for Contractors and Subcontractors.** The City shall terminate any Contract with a Contractor or Subcontractor that violates any provision of this Policy.

Knowingly violating the terms of an agency's ethics and conflict of interest policy may also be penalized as a criminal offense. Any such occurrence will be reviewed on a case-by-case basis to determine steps beyond above stated disciplinary actions.

- As outlined in Chapter 176 of the Texas Government Code, "an officer or vendor who knowingly fails to file a statement or a disclosure when required to do so commits a Class A, B, or C misdemeanor, depending on the amount of the contract. It is an exception to prosecution that an officer/vendor files a statement/questionnaire not later than the seventh day after the date the person receives notice from the city of the alleged violation."

Protections for Whistleblowers. In accordance with [41 U.S.C. § 4712](#), the City shall not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant: (i) a member of Congress or a representative of a committee of Congress; (ii) an Inspector General; (iii) the Government Accountability Office; (iv) a Treasury or other federal agency employee responsible for grant oversight or management; (v) an authorized official of the Department of Justice or other law enforcement agency; (vi) a court or grand jury; of (vii) a management official or other employee of the City, a Contractor, or Subcontractor who has the responsibility to investigate, discover, or address misconduct.

## **SECTION 7 – CONFLICT OF INTEREST POINT OF CONTACT**

While all stakeholders have a responsibility to understand what represents a potential, perceived, or real conflict of interest and to follow state and local disclosure mandates, the City of Port Lavaca has taken an additional step by identifying a centralized point of contact to oversee the collection, reporting,

communications, and guidance related to real or potential conflicts of interest on all ARPA-SLFRF funded activities. The designated POC will ensure required state and local forms are completed, shared, and retained in a compliant manner. The designated POC will be available to provide information throughout the entire project life cycle for all SLFRF covered transactions.

The designated COI Point of Contact may be updated as needed, but at the time of publication of these Standards, the following information is accurate:

TITLE	FIRST & LAST NAME	EMAIL ADDRESS	PHONE NUMBER
COI Point of Contact (“Actual Title”)	JoAnna P. Weaver, Interim City Manager	<a href="mailto:jweaver@portlavaca.org">jweaver@portlavaca.org</a>	(361) 827 3601

If the City/County has a website and/or phone number for reporting potential conflicts and other unethical activities, add here as a reference for stakeholder awareness.

**City Ethics Hotline is (361) 552 9793 ext:222**

**Website: <https://portlavaca.org/>**

**1. PRIOR TO AWARD OF CONTRACT OR SUBAWARD.**

- a. Prior to the award of a Contract or Subaward, the COI Point of Contact shall advise Covered Individuals expected to be involved in the selection, award, or administration of the Contract or Subaward of such duty.
- b. Prior to the award of a Contract or Subaward, appropriate ethics and conflict of interest related provisions should be included in solicitations and contractual template language.
- c. Identified potential conflicts will be reviewed and evaluated. Removal from project involvement at any stage or removal from award consideration with a written record and other measures may be identified.

**2. MANAGEMENT PRIOR TO AWARD OF CONTRACT OR SUBAWARD**

If, after completing the Texas Ethics Commission COI related Forms, the COI Point of Contact identifies a potential real or apparent conflict of interest relating to a proposed Contract or Subaward, the COI Point of Contact shall disclose such finding in writing to JoAnna P. Weaver and to each member of the Governing Board. If the Governing Board desires to enter into the proposed Contract or Subaward despite the identification by the COI Point of Contact of a potential real or apparent conflict of interest, it may either:

- a. Accept the finding of the COI Point of Contact and direct the COI Point of Contact to obtain authorization to enter into the Contract or Subaward from either:
  - 1) the Federal awarding agency (US Treasury) with appropriate mitigation measures, or
  - 2) the Pass-Through Entity (the ARPA Recipient) if a subrecipient.
- b. Reject the finding of the COI Point of Contact and enter into the Contract or Subaward. In rejecting any finding of the COI Point of Contact, the Governing Board shall, in writing, document a justification supporting such rejection. If the COI Point of Contact does not identify a potential real or apparent conflict of interest relating to a proposed Contract or Subaward, the City may enter into the Contract or Subaward in accordance with the purchasing or subaward policy.

**3. POST AWARD OF CONTRACT OR SUBAWARD**

All contractors, subrecipients, awardees, beneficiaries and other identified stakeholder agents have an ongoing responsibility to provide notification immediately after the identification of any potential conflict of interest.

In accordance with Chapter 176, Local Government Code, if the conflict involves a government officer of the City, the Conflicts Disclosure Statement (Form CIS) will be provided to the COI Coordinator serving as the “Records Administrator” no later than seven (7) business days from date of initial identification.

**Confidentiality & Public Information Act**

- Potential conflicts of interest reports by a third party will remain anonymous and will be reviewed with legal representatives as appropriate.
- Reports of potential conflict of interest by the affiliated parties will be reviewed with a determination of the next steps.
- All filed COI disclosures in Texas will be subject to the Public Information Act of Texas.

#### 4. GENERAL ADMINISTRATION

The Texas statements and disclosures must be filed with the records administrator of the city. A records administrator includes a city secretary, a person responsible for maintaining city records, or a person who is designated by the city to maintain the statements and disclosures filed under Chapter 176.

A city that maintains a website is required to post on that site statements and disclosures that are required to be filed under Chapter 176. However, a city that does not have a website is not required to create or maintain one.

The following conflict of interest documents, as deemed necessary by legal counsel and as applicable to any ARPA-SLFRF transactions will be retained on record:

- All types of disclosures including conflict of interest notifications via Conflict of Interest Disclosure (Form CID) or any other format;
- Certification of Interested Parties (Form 1295) as applicable;
- Conflict of Interest Questionnaire (Form CIQ);
- Cases of failure to disclose;
- Reviews or investigation of alleged conflicts; or
- Action(s) taken, or resolution(s).

The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Recipient in order to conduct audits or other investigations. Records shall be maintained by Recipient for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.

These ARPA/SLFRF Standards of Conduct and Conflict of Interest Policies and Procedures have been reviewed and adopted as applicable by legal or otherwise authorized representatives of the [ARPA RECIPIENT NAME].

PASSED AND APPROVED by the City Council of the City of Port Lavaca, Texas, this 8<sup>th</sup> day of April, 2024.

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Mayor Jack Whitlow

**ATTEST:**

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City Secretary Mandy Grant