

City of Fort Lauderdale  
Standard of Conduct and Conflicts of Interest Policy

# DOCUMENT REVISION HISTORY

Effective date: 09/30/2025

Document reversion history is tracked in the table below, with notes regarding version changes. Substantive changes in this document that reflect a policy change will result in the issuance of a new version of the document. Non-substantive changes such as minor wording and editing or clarification of existing policy that do not affect interpretation or applicability of the policy will be included in minor version updates denoted by a sequential number increase behind the primary version number (i.e., Version 2.1, Version 2.2, etc.).

VERSION #	REVISION DATE	DESCRIPTION	REVISION TRACKING NOTES
1.0	09/30/2025	Original Version (DRAFT)	N/A

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## I. OVERVIEW

This policy provides the framework and standards of conduct that govern the administration of (CDBG-DR) funds. It establishes clear rules for identifying, disclosing, and addressing conflicts of interest to ensure compliance with federal requirements under 24 CFR 570.489 and the Universal Notice. The policy applies to all City staff, officials, contractors, and subrecipients engaged in CDBG-DR activities, promoting transparency and accountability in decision-making, procurement, and program implementation.

## II. APPLICABILITY

All City of Fort Lauderdale employees, officers, agents, consultants, elected/appointed officials, volunteers, subrecipients, contractors, and vendors participating in CDBG-DR or other federally funded activities administered by the City.

## III. APPLICABLE REGULATION

- 2 CFR 200.318(c) -- Standards of conduct; organizational conflicts of interest;
- 2 CFR 200.214; 2 CFR part 180; 2 CFR part 2424 -- Suspension and Debarment
- 24 CFR 570.611 (local governments) – Conflicts for local government grantees
- applicable Federal Register 90 FR 4759
- Universal Notice 90 FR 1754

## IV. PURPOSE

The City of Fort Lauderdale (the City) maintains written standards of conduct to prevent real or apparent conflicts of interest, ensure impartial decision-making, protect program integrity, and comply with federal requirements for CDBG-DR and other federally assisted activities. Programs must avoid, neutralize, or mitigate actual or potential conflicts of interest to prevent an unfair competitive advantage or the existence of conflicting roles that might impair the performance of the Subrecipient Agreement or impact the integrity of the procurement process.

## V. SCOPE

This policy applies to:

- **City workforce:** All employees, officers, agents, consultants, volunteers, and members of boards/commissions with duties connected to federally funded activities.
- **Elected/appointed officials** involved in, or able to influence, City decisions on federally funded activities.

- **Subrecipients and their employees/officials** when carrying out a portion of the City's federally funded programs.
- **Contractors and vendors** seeking or performing work funded in whole or in part with federal funds.

## VI. DEFINITIONS

**Conflict of Interest (COI):** A situation in which personal, financial, or organizational interests could compromise, or appear to compromise, a covered person's judgment, decisions, or actions.

**Organizational COI:** When the City or a subrecipient's relationships with a parent, affiliate, subsidiary, or related entity may bias the procurement or program decisions (e.g., unequal access to information, impaired objectivity).

**Immediate Family:** Spouse/domestic partner, parents, children, siblings, and in-laws, or other relatives living in the same household.

**Business Ties:** An employer/employee relationship, director/officer role, ownership, or other financial interest (including through a partnership, LLC, trust, or similar).

**Financial Interest:** Any direct or indirect benefit, including ownership, compensation, commissions, fees, loans, or gifts/gratuities.

**CDBG-assisted activity:** Any activity funded in whole or in part with CDBG or CDBG-DR funds, including real property acquisition/disposition, rehabilitation, construction, public services, economic development assistance, and program administration.

## VII. POLICY

The City will conduct all CDBG-DR funded activities with the highest standards of integrity, impartiality, and transparency. Employees, officers, subrecipients, and contractors must avoid any actual or perceived conflicts of interest and must not participate in decisions where they, their family members, or business associates have a financial or personal interest. All procurement and program decisions will be made solely in the best interest of the program and in compliance with 24 CFR 570.489(g), (h), and (l), as well as the HUD Universal Notice. Any violations of this policy may result in disciplinary action, contract termination, or referral for legal enforcement.

### GENERAL STANDARDS OF CONDUCT

**Impartiality:** Covered persons must act impartially and solely in the public interest.

**Prohibition on Gifts/Gratuities:** Covered persons may not solicit or accept any gift, gratuity, favor, service, hospitality (including meals), entertainment, travel, loan, or thing of value from any current or prospective vendor, contractor, developer, subrecipient, or beneficiary connected to federally funded activities. (De minimis promotional items of nominal value widely distributed to the public may be accepted at the City's discretion but must never influence a decision.)

**Preferential Treatment:** No special advantage may be given due to personal relationships or political considerations.

**Confidential Information:** Non-public information obtained through official duties must not be used for personal or third-party gain.

**Outside Employment/Activities:** Must not conflict with official duties. Disclosure and written approval are required where overlapping exists.

**Nepotism:** Covered persons shall not participate in decisions affecting the employment, procurement, assistance, or oversight involving an immediate family member or business tie.

**Sanctions:** Violations may result in disciplinary action (up to termination), contract remedies (suspension/termination), disallowance of costs, recovery of funds, and referral to enforcement authorities.

## PROCUREMENT-SPECIFIC CONFLICTS (2 CFR 200.318(c))

When involved in the **selection, award, or administration** of a contract supported by federal funds, covered persons **must not** participate if any of the following exist:

- A **real or apparent COI** due to a financial or other interest in, or relationship with, a prospective or current contractor or subcontractor,
- The covered person, an immediate family member, a business tie, or an organization they serve (e.g., officer, director, trustee) has a financial interest in the vendor, or
- **Organizational COI** exists related to a parent, affiliate, or subsidiary organization.

## REQUIREMENTS

Prior to solicitation/award, the City (and subrecipients) must screen for COI, document the analysis, and implement mitigation (e.g., recusal, firewalls, independent cost/price review, third-party evaluator) or disqualify the conflicted party.

**Disciplinary actions** for violations are enforced by this policy and City HR rules.

## NON-PROCUREMENT CONFLICTS (24 CFR 570.610)

**General Rule:** No covered person who exercises or has exercised functions or responsibilities with respect to a CDBG-assisted activity, or who is in a position to participate in decision-making or gain inside information, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any related contract/subcontract/agreement or the proceeds of such activity, **during their tenure and for one (1) year thereafter**. This prohibition extends to those with whom the covered person has business ties or immediate family ties.

Applies To (examples):

- Acquisition, disposition, or use of real property,
- Rehabilitation, reconstruction, or construction projects,
- Direct assistance to individuals or businesses (e.g., loans, grants, incentives),
- Program income decisions, and
- Any other CDBG-assisted agreement.

## PROMPT IDENTIFICATION AND HANDLING OF CONFLICTS OF INTERESTS

The City will maintain a documented, expedited process to promptly identify and address conflicts:

1. **Annual Disclosure:** All covered persons complete an Annual COI Disclosure listing employers, outside positions, business interests, immediate family employment/ownership, and affiliations relevant to federally funded activities.
2. **Event-Driven Disclosure:** Covered persons must immediately (within 5 business days) submit a COI Disclosure form when a potential conflict arises (e.g., new outside employment, a family member's involvement with a vendor/subrecipient, receipt of a bid from an affiliated entity).
3. **Screening & Determination:** The COI Officer (or designee) and City Attorney review disclosures, determine if a conflict exists, and select one or more mitigation measures: recusal; reassignment to an alternate decision-maker; information firewalls; third-party review; or, where necessary, disqualification.
4. **Recusal Documentation:** Recusals must be in writing, acknowledge the conflict, and identify the alternate responsible official. Recused individuals may not access non-public information about the matter.
5. **Recordkeeping:** All disclosures, determinations, recusals, and mitigation plans are filed in the official grant/procurement file and retained per the Records Retention section.

## EXCEPTIONS

Local governments (24 CFR 570.611(d)): The City may request a HUD exception on a case-by-case basis only after:

- Public disclosure of the conflict; and
- Obtaining a written opinion from the City Attorney that the interest does not violate State/local law.

HUD will consider all relevant factors (e.g., whether the exception provides significant cost/technical benefit) before granting/denying.

Internal process: Any exception request must include a mitigation plan, documentation of alternative approaches considered, and proof of public notice. No action may proceed until HUD (or the applicable authority) issues written approval.

## SUSPENSION AND DEBARMENT (2 CFR 200.214; S CFR part 18; S CFR part 2424)

The City and subrecipients must verify that contractors, subrecipients, and principals are not suspended or debarred prior to award and at reasonable intervals during performance (e.g., semi-annually), typically via SAM.gov. Evidence of suspended or debarred verification will be maintained in the recordkeeping system.

Contract and subaward documents must include the required suspension/debarment clauses and flow-down to lower tiers.

## ORGANIZATIONAL CONFLICTS OF INTEREST (OCI) - MITIGATION

When the City, a subrecipient, or a related entity (parent/affiliate/subsidiary) could bias procurement or program decisions, the COI Officer may require one or more of the following:

- Separate teams and reporting lines,
- Information barriers to prevent unequal access to non-public information,
- Independent cost/price analysis and technical evaluations by unconflicted staff/consultants,
- Prohibition on drafting specifications and competing for the same procurement,
- Enhanced documentation and peer review before award, and
- Disqualification where mitigation is inadequate.

## TRAINING AND AKNOWLEDGEMENT

Initial and annual COI training is required for covered persons, with certificates retained.

Subrecipients must adopt standards of conduct no less restrictive than this policy and train their staff annually.

All covered persons must sign an acknowledgment of this policy and provide annual and event-driven disclosures.

## RECORDS AND RETENTION

COI disclosures, determinations, recusals, mitigation plans, exception requests/approvals, SAM checks, and training rosters must be retained in the official files for the period required by the grant terms and City retention schedule (no less than the HUD-specified retention after closeout).

## ENFORCEMENT AND REMEDIES

Violations may lead to:

- removal from duty assignments,
- disciplinary action up to termination,
- suspension/termination of contracts or subawards,
- repayment/disallowance of costs,
- recovery actions, and or
- referral to HUD OIG or other authorities.