

# **Conflict of Interest Policy – Grant Funding**

## **Policy #CP 101-06**

### **Rappahannock Electric Cooperative**

#### **1. Purpose**

This policy establishes written standards of conduct governing actual, potential, and apparent Conflicts of Interest—both personal and organizational—in activities supported by federal or state financial assistance. It is adopted in alignment with applicable requirements, including 2 CFR § 200.318(c) and 2 CFR § 200.112, and outlines expectations for ethical conduct, disclosure, and management of Conflicts of Interest related to grants and other publicly funded awards. This policy is further intended to support compliance with Conflict of Interest requirements imposed by the U.S. Department of Energy (“DOE”), including DOE’s Interim Conflict of Interest Policy for Financial Assistance and any applicable award-specific terms and conditions.

#### **2. Scope**

This policy applies to all Covered Individuals, as defined below, of Rappahannock Electric Cooperative (the “Cooperative”) and Affiliated Organizations. This policy applies throughout all phases of the award lifecycle, including application, award, performance, and closeout.

#### **3. Policy Statement and Implementation**

##### **A. General Standard**

All Covered Individuals must disclose actual, potential, or apparent Conflicts of Interest that could compromise, or reasonably appear to compromise, their objectivity, impartiality, or judgment in connection with a federal or state award.

##### **B. Procurement-Related Conflicts of Interest (2 CFR § 200.318(c)(1))**

In accordance with 2 CFR § 200.318(c)(1), no employee, officer, or agent may participate, directly or indirectly, in the selection, award, or administration of any contract, subaward, or procurement supported by a federal award if a Conflict of Interest exists. Any actual, potential, or apparent conflict related to a procurement action must be promptly disclosed in writing, in accordance with Section 4, and reviewed before the Covered Individual participates further in the selection, award, or administration of the contract, subaward, or procurement.

For procurement actions, a disqualifying Conflict of Interest may include any situation where the individual, an Immediate Family member, a Partner, or an Affiliated Organization has a financial or other interest in, or stands to benefit from, a firm or entity considered for award. Covered Individuals may not solicit or accept gratuities, gifts, favors, or anything of monetary value from contractors, vendors, or subrecipients, except as permitted by law or Cooperative policy.

REC will make commercially reasonable efforts to disclose and explain its relationship with any Affiliated Organization(s) that are expected to perform work on a project in its grant proposals. These disclosures will be in addition to any disclosures and reports required by Sections 4(B) and (C).

### **C. Prohibited Conduct**

Covered Individuals may not use non-public or confidential information for personal or Affiliated Organization benefit, nor allow personal, financial, or organizational relationships to influence decisions or create the appearance of impropriety, favoritism, or unfair competitive advantage in connection with a federal or state award.

### **D. Disclosure Requirements and Investigator Responsibilities**

Covered Individuals must promptly disclose any actual, potential, or apparent Conflict of Interest, including any new or changed interest, relationship, or circumstance that could affect, or reasonably appear to affect, the individual's objectivity, impartiality, or judgment in connection with a federal or state award.

For DOE-funded awards:

- Investigators must disclose Significant Financial Interests ("SFIs") of the Investigator and Immediate Family before participating in a DOE-funded project.
- Investigators participating in DOE-funded projects must provide all required disclosures no later than the time an application is submitted to DOE, and must update disclosures at least annually and within thirty (30) days of discovering or acquiring a new SFI.
- Investigators and other Covered Individuals must disclose Sponsored or Reimbursed Travel in accordance with Section 3(G).

Disclosures required under this section shall be submitted and managed in accordance with Section 4 of this Policy.

### **E. Organizational Conflicts of Interest (2 CFR § 200.318(c)(2))**

Organizational Conflicts of Interest ("OCIs") may arise where, because of the relationship between the Cooperative and an Affiliated Organization, the Cooperative is unable or appears to be unable to be impartial in conducting a procurement action involving the Affiliated Organization. This includes when the Affiliated Organization participates in, performs work under, or otherwise benefits from a federal or state award made to the Cooperative. Investigators and the Cooperative must identify, disclose, and manage OCIs in accordance with Section 4.

Arrangements involving non-competitive selection, sole-source justification, or the use of Affiliated Organizations in connection with grant-funded activities are subject to heightened conflict-of-interest review and documentation.

The Cooperative will take reasonable steps to identify and address OCIs that could impair objectivity, bias decision-making, or create an unfair competitive advantage in connection with a federal or state award. Identified OCIs will be documented and addressed through mitigation measures, which may include management or information firewalls, segregation of duties, independent review or approval of the transaction by a Designated Official (as defined in Section 4), evaluation of pricing to ensure it is consistent with industry standards, development of policies mandating that certain procurements or transactions must be made with an Affiliated Organization, recusal of conflicted individuals, reassignment of responsibilities, or withdrawal from the activity, as appropriate and consistent with applicable requirements and award terms.

The Cooperative must disclose in writing to the DOE program office any potential or actual OCI where, due to its relationship with an Affiliated Organization, the Cooperative is unable or appears to be unable to be impartial in conducting a procurement action involving the Affiliated Organization. The disclosure must include, but is not limited to, the following:

- The name, address, and website (as applicable) of the entity that presents a potential or actual OCI;
- The relationship between the Cooperative and the entity at issue;
- The nature and anticipated value of the procurement or other transaction with the Affiliated Organization, and the basis for making it;
- The basis for the Cooperative's determination regarding the existence of an OCI; and
- The measures the Cooperative will undertake to avoid, neutralize, or mitigate the OCI.

If a potential or actual OCI cannot be avoided, neutralized, or appropriately mitigated to satisfy applicable DOE requirements, the Cooperative may not use DOE funds for the affected procurement or transaction and must consider an alternative source, structure, or procurement approach.

#### **F. Financial Conflict of Interest**

For DOE-funded awards, Investigators are subject to the Financial Conflict of Interest ("FCOI") requirements of this policy, as defined in Section 9. The Designated Official will evaluate SFI disclosures and determine whether an FCOI exists in accordance with Section 4 and applicable award requirements. The Cooperative may implement additional mitigation, management, or disclosure measures as required by DOE.

#### **G. Sponsored or Reimbursed Travel**

Covered Individuals must disclose travel related to their Cooperative or project responsibilities that is paid on their behalf, or reimbursed to them, by a party other than the Cooperative. Where the travel is paid on the Covered Individual's behalf such that the exact monetary value is not readily determinable, the Covered Individual must provide a reasonable estimate. Travel paid or reimbursed by the Cooperative, a U.S. federal, state, local, or Tribal government agency, or an institution of higher education is excluded from disclosure under this Section.

Disclosure must identify the purpose, sponsor, destination, duration, and monetary value if known or reasonably estimable. Travel paid or reimbursed by a foreign government, foreign government-owned or controlled entity, or foreign institution must be disclosed regardless of value and will be reviewed under this Section.

The Designated Official will determine whether disclosed travel constitutes a Conflict of Interest, or a prohibited gratuity under Section 3(B); disclosure does not authorize acceptance of travel otherwise prohibited. Allowability of travel costs charged to an award is governed by 2 CFR § 200.475 and the Cooperative's travel and expense policy.

### **4. Disclosure and Management of Conflicts of Interest (2 CFR § 200.112)**

**Designated Official.** The Cooperative's Designated Official for purposes of the DOE Interim Conflict of Interest Policy for Financial Assistance is a qualified external third-party advisor who

is an independent official appointed in writing by the President & Chief Executive Officer, who may be outside counsel. The Designated Official reviews Investigator disclosures, determines whether an FCOI or OCI exists, approves management plans, and signs reports to DOE. The written appointment also will name an alternate to act when the Designated Official is unavailable or conflicted. The Grants Development, Administration, and Compliance Manager (“Grants Compliance Manager”) administers the disclosure process and supports the Designated Official. Responsibility for compliance with this policy remains with the Cooperative.

### **A. How, When, and Where to Disclose**

Any Covered Individual who has, or becomes aware of, an actual, potential, or apparent Conflict of Interest or FCOI, and any Investigator who has, or becomes aware of, an SFI must disclose it as follows:

**How to disclose.** Submit a written disclosure using the Cooperative’s Grants Conflict of Interest Disclosure Form, available from the Cooperative’s Grants Compliance Manager.

**Where to submit.** Submit the completed form to both (1) your direct supervisor and (2) the Grants Compliance Manager.

**When to disclose.** You must disclose:

- Before you participate in the selection, award, or administration of any affected contract, subaward, procurement, or project;
- For DOE-funded awards, no later than the time an application is submitted to DOE, or, if you are added after application, before you begin participating in the project;
- Promptly, and in no event later than thirty (30) days, after you become aware of a conflict; and
- Annually, as part of the certification required under Section 5.

**What happens next.** You must not participate in the affected activity, and in the case of an OCI the Cooperative must not engage in a transaction with an Affiliated Organization, unless and until the Designated Official reviews the disclosure and advises you in writing that you may proceed, subject to any required management or mitigation measures. The Grants Compliance Manager will acknowledge each disclosure and communicate next steps within ten (10) business days of receipt.

**Who this applies to.** All requirements above apply to every Covered Individual. The additional SFI disclosure obligations described in Section 3(D) apply only to Investigators participating in DOE-funded projects.

### **B. Review and Mitigation**

Upon receipt of a disclosure, the Designated Official, with support from the Grants Compliance Manager, will:

- Evaluate the disclosed matter to determine whether it constitutes a Conflict of Interest, FCOI, OCI, or no conflict.
- Document the basis for the determination and any supporting analysis.

- Determine and document appropriate corrective, management, or mitigation measures, including recusal, reassignment of responsibilities, segregation of duties, independent review, monitoring, or other controls, as appropriate.
- Monitor compliance with any approved mitigation or management plan.
- Provide a report to DOE regarding any unmanaged or unmanageable FCOIs prior to the expenditure of funds under a DOE-funded project.
- For any SFIs identified during the course of the project, within sixty (60) days review the SFI and determine if it is related to a project funded under a DOE award; determine if an FCOI exists, and if so, implement an appropriate management plan, and if the FCOI was not timely managed or identified conduct a retrospective review within one hundred twenty (120) days of the determination of noncompliance.
- For any SFI identified subsequent to the initial FCOI report during a DOE-funded project, provide a report to DOE within sixty (60) days if the Designated Official determines that the FCOI is unmanaged or unmanageable (and include managed FCOIs if required by the DOE award and ensure a management plan is implemented). If the FCOI report involves an SFI that was not timely disclosed, reviewed, or managed, conduct a retrospective review to determine whether the project was biased in the purpose, design, conduct, or reporting, and if so, submit a mitigation report to DOE.
- Disclose any potential or actual OCI to DOE in applications for financial assistance and prior to engaging in a procurement or transaction using DOE funds with an Affiliated Organization.
- Coordinate any required external disclosures to awarding agencies, pass-through entities, or regulatory authorities, as applicable.

No individual with a disclosed Conflict of Interest may participate in related decision-making unless expressly authorized in writing by the Designated Official.

### **C. External Disclosure to Awarding Agencies**

In accordance with applicable DOE award requirements, including the DOE Interim Conflict of Interest Policy for Financial Assistance, the Cooperative will disclose in writing to DOE, or applicable pass-through entity, any identified Conflict of Interest, FCOI, or OCI requiring disclosure under applicable award terms.

Such disclosures will be made promptly following identification and internal review and in accordance with applicable award terms. Conflicts of Interest identified at any time during the life of a DOE-funded award will be disclosed in writing to DOE, the applicable pass-through entity, or other awarding agency, as applicable, and updated as required.

### **D. Subrecipient Requirements**

If the Cooperative provides DOE funds to a subrecipient, the Cooperative will flow down the requirements of the DOE Interim Conflict of Interest Policy for Financial Assistance through a written agreement. The agreement will specify whether the Cooperative's or the subrecipient's Conflict of Interest policy applies to the subrecipient's covered individuals, require the subrecipient to certify that its policy complies with the DOE Interim Conflict of Interest Policy for Financial Assistance if the subrecipient's policy applies, and establish timeframes for the subrecipient to

report identified conflicts or submit disclosures sufficient for the Cooperative to meet its review and reporting obligations to DOE.

## 5. Training and Annual Certification

Covered Individuals must review this policy annually and complete the Cooperative's Grants Conflict of Interest Disclosure Form. Agents of the Cooperative are subject to applicable disclosure requirements as specified in contracts, agreements, or award terms.

For DOE-funded awards, each Covered Individual must complete Conflict of Interest training before engaging in a DOE-funded project and must complete refresher training at least every four (4) years. A Covered Individual must also complete training within thirty (30) days when the Cooperative revises this policy or its procedures in a manner affecting the Covered Individual's responsibilities, when the individual is new to the Cooperative, or when the individual is found not to be in compliance with this policy or an applicable management plan. Training will address this policy and each Covered Individual's disclosure responsibilities.

For DOE-funded awards, certifications confirm compliance with the disclosure requirements set forth in Section 3(D).

The Grants Compliance Manager will be responsible for the coordination of training, certifications, and retention. Records related to training, certifications, acknowledgements, and disclosures will be retained for at least three (3) years following final award closeout, or longer if required by award terms or applicable law. In conjunction with the Project Management Office, the Grants Compliance Manager will ensure a checklist of all applicable activities is added to the project lifecycle as appropriate.

## 6. Violations

Violations of this policy may result in disciplinary action, up to and including termination of employment, in accordance with Cooperative personnel policies and applicable law, and may also result in remedies or sanctions imposed by awarding agencies.

## 7. Responsibilities

- **President & Chief Executive Officer** – Overall responsibility for implementation of this policy.
- **Grants Development, Administration, and Compliance Manager** – Oversight of compliance with 2 CFR §§ 200.112 and 200.318(c), and, for DOE-funded awards, the DOE Interim Conflict of Interest Policy for Financial Assistance, including administration of the disclosure process and support of the Designated Official in the review and management of Conflicts of Interest, FCOIs, OCIs, and SFIs; maintenance of records, coordination of certifications and external disclosures, and support of audit and monitoring activities.
- **Designated Official** – Review of Investigator disclosures; determinations of whether a Conflict of Interest, FCOI, or OCI exists; approval of management plans; and signature of FCOI reports and OCI disclosures to DOE.

- **Supervisors and Managers** – Ensuring awareness, timely escalation of disclosures, and enforcement within their areas of responsibility.

## 8. Availability of Policy and Treatment of Disclosures

This policy will be made public and available on the Cooperative's website.

Individual disclosures, determinations, and management plans will be treated as confidential business records maintained by the Grants Compliance Manager, with access limited to those with a legitimate need to know. The Cooperative cannot guarantee confidentiality where disclosure is required by law, by award terms, or in response to a request from DOE, a pass-through entity, an auditor, or other regulatory authority. Information regarding an SFI held by key or senior personnel related to a project funded under a DOE award that constitutes an FCOI must be made publicly available on the Cooperative's website or by written response within five (5) business days of a request.

## 9. Definitions

**Affiliated Organization.** Any entity that is controlled by, controlling, or under common control with the Cooperative, including wholly owned subsidiaries, and any organization for which a Covered Individual serves as an officer, director, manager, or key employee.

**Conflict of Interest.** An actual, potential, or apparent situation in which a Covered Individual, Immediate Family member, Partner, or Affiliated Organization has a financial or other interest, or a tangible personal benefit, that could compromise, or reasonably appear to compromise, objectivity, impartiality, or judgment in connection with a federal or state award.

**Cooperative.** Rappahannock Electric Cooperative.

**Covered Individuals.** Employees, officers, and agents of the Cooperative who are involved in or may participate in, or have the ability to influence, the solicitation, selection, award, administration, management, or oversight of a federal or state award, contract, subaward, or procurement action, including individuals whose Immediate Family members, Partners, or Affiliated Organizations may benefit from such activities. For DOE-funded projects, Covered Individuals additionally include Principal Investigators and any individual who is responsible for or significantly influences the purpose, design, conduct, or reporting of a project funded by DOE or proposed for funding by DOE and any individual identified as senior or key personnel by the Cooperative in the application for financial assistance, approved budget, progress report, or any other report submitted to DOE.

**Designated Official.** The independent official appointed in writing by the President & Chief Executive Officer under Section 4 to review disclosures, make conflict determinations, approve management plans, and sign reports to DOE.

**Financial Conflict of Interest (FCOI).** A situation in which an Investigator or the Investigator's Immediate Family has an SFI or financial relationship that could directly and significantly affect the design, conduct, reporting, or funding of a project.

**Immediate Family.** Spouse and dependent children.

**Investigator.** The Principal Investigator and any other person, regardless of title or position, who is responsible for the purpose, design, conduct, or reporting of a project funded by DOE or proposed for funding by DOE.

**Organizational Conflict of Interest (OCI).** A situation that occurs when, due to relationships with a parent company, affiliate, or subsidiary organization, the Cooperative is unable or appears unable to be impartial in conducting a procurement action involving the related organization.

**Partner.** Any person with whom a Covered Individual shares a business or financial relationship, such as a co-owner or joint-venture partner.

**Potential Conflict of Interest.** A situation in which an impartial observer reasonably believes that actual, apparent, past, present, or currently planned interests could constitute a Conflict of Interest.

**Significant Financial Interest (SFI).** A financial interest of the Investigator (and their Immediate Family) that reasonably appears to be related to the Investigator's responsibilities. SFIs include salary and equity interests in the twelve (12) months preceding the disclosure, in an amount that when aggregated exceeds \$5,000; intellectual property rights; and Sponsored or Reimbursed Travel.

**Sponsored or Reimbursed Travel.** Travel related to a Covered Individual's Cooperative or project responsibilities that is paid on the Covered Individual's behalf, or reimbursed to the Covered Individual, by a party other than the Cooperative, and that is subject to disclosure under Section 3(G).

## 10. References and Related Documents

- 2 CFR § 200.112 – Conflict of Interest
- 2 CFR § 200.318(c) – General Procurement Standards: Standards of Conduct
- Federal Award Terms and Conditions
- DOE Interim Conflict of Interest Policy for Financial Assistance and applicable award-specific terms and conditions
- Cooperative Grants Conflict of Interest Disclosure Forms

## Policy Control Information

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|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Policy Title:</b>       | Conflict of Interest Policy – Grant Funding                                                                                                          |
| <b>Policy Number:</b>      | CP 101-06                                                                                                                                            |
| <b>Review Frequency:</b>   | Annual and when DOE Financial Awards are awarded or prior awards are modified to include updated Conflict of Interest requirements                   |
| <b>Last Reviewed:</b>      |                                                                                                                                                      |
| <b>Date Adopted:</b>       | 10/09/2026                                                                                                                                           |
| <b>Effective Date:</b>     | 10/09/2026                                                                                                                                           |
| <b>Amendment Dates:</b>    |                                                                                                                                                      |
| <b>Approver:</b>           | President & CEO                                                                                                                                      |
| <b>Applies to:</b>         | Covered Individuals as defined in Section 9 (Definitions)                                                                                            |
| <b>Administrator:</b>      | Director – Strategy Execution & Enterprise Risk Management                                                                                           |
| <b>Superseding Effect:</b> | This Policy supersedes all previous policies and memoranda concerning the subject matter. Only the Approver may authorize exceptions to this Policy. |

## CERTIFICATION AND DISCLOSURE

### CONFLICT OF INTEREST POLICY – GRANT FUNDING #CP 101-06 GRANTS CONFLICT OF INTEREST DISCLOSURE FORM

Rappahannock Electric Cooperative • P.O. Box 7388, Fredericksburg, Virginia 22404-7388

#### Certification

I, \_\_\_\_\_

(please print full name and title), certify that I am an:

☐ Officer ☐ Employee ☐ Agent/Consultant ☐ Other: \_\_\_\_\_

and that I am involved in, participate in, or may have the ability to influence, activities related to federal or state grants, contracts, subawards, procurements, or projects administered by Rappahannock Electric Cooperative (“the Cooperative”) or an Affiliated Organization.

I have read and understand the Cooperative’s Conflict of Interest Policy – Grant Funding and agree to comply with its disclosure, recusal, and mitigation requirements.

#### Disclosure Status

☐ **No Disclosure Required**

I am not aware of any Conflict of Interest, Organizational Conflict of Interest, or Significant Financial Interest required to be disclosed under the Policy or applicable award requirements.

☐ **Disclosure Required**

I have a Conflict of Interest or Significant Financial Interest, am an employee, officer or agent of an entity that has a relationship with the Cooperative that results in an Organizational Conflict of Interest, or have other matter requiring disclosure, as described below or in the attached documentation.

#### Description of Disclosure

Describe the relevant interest, relationship, entity, activity, or other circumstance. Attach additional pages or supporting documentation if necessary.

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Failure to provide a required disclosure or comply with an approved mitigation measure may result in corrective action under the Policy and applicable award terms.

## DOE Disclosure Certification Statement

**For disclosures required under DOE Interim Conflict of Interest Policy for Financial Assistance, the undersigned certifies as follows:**

“I understand that this Disclosure is required to obtain funding from the U.S. Government. I certify to the best of my knowledge and belief that the information contained in this Disclosure Statement is true, complete, and accurate. I understand that any false, fictitious, or fraudulent information, misrepresentations, half-truths, or omissions of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims, or otherwise. (18 U.S.C. 287, 1001, and 1031, and 31 U.S.C. 3729-3733 and 3801-3812). I further understand and agree that: (1) The statements and representations made herein are material to the U.S. Government's funding decision, and (2) I have a responsibility to update the disclosures during the period of performance of the Federal financial assistance award should circumstances change which impact the responses provided above.”

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

*Unless otherwise indicated, capitalized terms have the definitions identified in Policy CP 101-06.*