

Financial Conflicts of Interest – Policy

I. OBJECTIVE

This policy provides an administrative process for FedSprout to identify and manage financial Conflicts of Interest (COI) regarding all projects for which financial assistance funding is sought or received from the DOE: the U.S. Department of Energy, the National Nuclear Security Administration (NNSA), or any components of the Department of Energy.

II. PURPOSE

A COI policy is essential for maintaining the integrity and credibility of DOE-funded projects. This policy establishes processes to identify and manage financial conflicts, ensuring decisions are free from bias and aligned with project objectives. By promoting compliance with federal regulations, enhancing transparency, and protecting project integrity, this COI policy builds stakeholder confidence, mitigates risks, and supports the ethical use of public funds.

III. APPLICABILITY

This policy applies to all DOE financial assistance awards applied to or received except Office of Indian Energy and Phase 1 SBIR/STTR FOAs and financial assistance awards. Moreover, it applies to each Investigator who is planning to participate in or is participating in the project funded wholly or in part under the DOE financial assistance award and to each contractor and sub-recipient under the award.

IV. SCOPE

This policy implements the DOE interim Conflict of Interest Policy Requirements for Financial Assistance (No. FAL 2022-02, Date: 12/20/2021).

V. DEFINITIONS

Financial conflict of interest (FCOI) means a situation in which an Investigator or the Investigator's spouse or dependent children has a significant financial interest or financial relationship that could directly and significantly affect the design, conduct, reporting or funding of a project.

Financial interest means anything of monetary value, whether or not the value is readily ascertainable.

Investigator means the principal Investigator (PI) 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.

Project is any activity funded wholly or in part under a DOE financial assistance award. A project has a defined start and end point with objectives described in an application or in an approved scope that, when attained, signify the completion and achievement of a specific goal and the creation of a unique product, service, or result. For awards that include recipient cost share as part of the approved budget, activities funded with that recipient cost share are included. Excluded from this policy, consistent with the underlying DOE regulations, are Office of Indian Energy or Phase I Small Business Innovative Research / Small Business Technology Transfer applications or awards.

Principal Investigator (PI) is an Investigator who has primary responsibility for the scientific and technical conduct, reporting, and administrative and financial management of a sponsored research project.

Significant financial interests are anything of monetary value, consisting of one or more of the following interests of the Investigator or the Investigator's spouse or registered domestic partner and dependent children that reasonably appear related to the Investigator's Institutional Responsibilities:

1. With regard to any foreign or domestic publicly traded entity: *A significant financial interest* exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure (see Section VI.a.2) and the value of any equity interest in the entity as of the date of disclosure, when aggregated, exceeds \$5,000. For purposes of this definition, remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value.
2. With regard to any foreign or domestic non-publicly traded entity: *A significant financial interest* exists if the value of any remuneration, not otherwise disclosed as current, pending, or other support, received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when the Investigator (or the Investigator's spouse or dependent children) holds any equity interest (e.g., stock, stock option, or other ownership interest)
3. Royalty payments or income of any value from such rights and interests in intellectual property.
4. Any reimbursed or sponsored travel (*i.e.*, that which is paid on behalf of the Investigator and not reimbursed to the Investigator so that the exact monetary value may not be readily available) related to their institutional responsibilities that is not otherwise disclosed in current and pending or other support disclosures and was received during the prior twelve months. Investigators are not required to disclose travel that is reimbursed or sponsored by federal, state, or local governments, a U.S. institution of higher education, or a research institute that is affiliated with an institution of higher education. **Spouses, registered domestic partners, and dependent children of Investigators are exempt from this disclosure requirement.**

Note: The following is not considered a Significant Financial Interest:

1. Financial interests in mutual funds or other investment vehicles such as retirement funds where the Investigator or the Investigator's spouse, registered domestic partner or dependent children does not directly control the investment decisions made for these investment vehicles.
2. Salary, royalties, or other remuneration paid by Fedsprount to the Investigator if the Investigator is currently employed or otherwise appointed by Fedsprount, including intellectual property rights assigned to Fedsprount and agreements to share in royalties related to such rights.

3. Any ownership interest in Fedsprout held by the Investigator.
4. Income from seminars, lectures, or teaching engagements sponsored by a Federal, state, or local government agency of the United States, a domestic Institution of Higher Education, or a domestic research institute that is affiliated with a domestic Institution of Higher Education; or income from service on advisory committees or review panels for a Federal, state, or local government agency of the United States, a domestic Institution of Higher Education, or a domestic research institute that is affiliated with a domestic Institution of Higher Education.

VI. POLICY

a. Requirements

- (1) Fedsprout shall make this plan publicly available via its website.
- (2) Each Investigator who is planning to participate in the DOE award must disclose to Fedsprout's President using the template in Section VII, the Investigator's significant financial interests (and those of the Investigator's spouse and dependent children) no later than the time of application for the DOE award. In the event Fedsprout seeks to add an Investigator after the time of application, Fedsprout must require the Investigator to make such disclosures prior to participating in a project funded under a DOE award.
- (3) Each Investigator who is participating in the DOE award must submit an updated disclosure of significant financial interests at least annually to Fedsprout.
- (4) Each Investigator who is participating in the DOE award must submit an updated disclosure of significant financial interests to Fedsprout within thirty days of discovering or acquiring (e.g., through purchase, marriage, or inheritance) a new significant financial interest.
- (5) Fedsprout will prepare FCOI reports using the template in Section IX.
- (6) Fedsprout will disclose in writing any potential or actual organizational conflict of interest to the DOE program office. Fedsprout will disclose the information to DOE in an application for financial assistance or prior to engaging in a procurement or transaction using DOE funds with a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe.
- (7) Personnel performing work may receive, have access to, or participate in the development of proprietary or source selection information (e.g., cost or pricing information, budget information or analyses, specifications or work statements, etc.) or perform evaluation services which may create a current or subsequent Organizational Conflict of Interest (OCI) as defined in FAR Subpart 9.5. Fedsprout shall notify DOE immediately whenever it becomes aware that such access or participation may result in any actual or potential OCI and shall promptly submit a plan to avoid or mitigate any such OCI.
- (8) Fedsprout will provide the OCI disclosure to DOE in an application for financial assistance or prior to engaging in a procurement or transaction using DOE funds with a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe. This disclosure shall include the following at a minimum:
 - (i) The name, address, and website (as applicable) of the entity that presents a potential or actual organizational conflict of interest;
 - (ii) The relationship between Fedsprout and the entity at issue;

- (iii) The nature of the anticipated procurement or other transaction with the parent, affiliate, or subsidiary organization; the anticipated value of the procurement or other transaction; and the basis for making the procurement or other transaction with a parent, affiliate, or subsidiary organization;
- (iv) The basis for Fedsprout's determination regarding the existence of an organizational conflict of interest; and
- (v) How Fedsprout will avoid, neutralize, or mitigate the organizational conflict of interest.

b. Management of Financial Conflicts Interest

- (1) Fedsprout's President is the designated official who must review and manage any financial conflicts of interest and provide reports to DOE.
- (2) The President shall review all Investigator disclosures of significant financial interests; determine whether any of the disclosures relate to the project funded under the DOE award; determine whether a financial conflict of interest exists; and, if so, develop and implement a management plan that shall specify the actions that have been, and shall be, taken to manage such financial conflict of interest.
- (3) Fedsprout's management plan will include, at a minimum, the following elements:
 - Role and principal duties of the conflicted Investigator in the project;
 - Conditions of the management plan;
 - How the management plan is designed to safeguard objectivity in the project;
 - Confirmation of the Investigator's agreement to the management plan;
 - How the management plan will be monitored to ensure Investigator compliance; and
- (4) The President will provide DOE with ongoing financial conflict of interest (FCOI) reports, which identify any unmanaged or unmanageable financial conflicts of interest.
- (5) Whenever a significant financial interest is identified that was not disclosed timely by an Investigator or, for whatever reason, was not previously reviewed by Fedsprout during an ongoing project funded under a DOE award (e.g., was not timely reviewed or reported by a subrecipient), the President shall, within sixty days: review the significant financial interest; determine whether it is related to the project funded under a DOE award; determine whether a financial conflict of interest exists; and, if so:
 - (i) Implement, on at least an interim basis, a management plan that shall specify the actions that have been and will be taken to manage such financial conflict of interest going forward;
 - (ii) In addition, whenever a financial conflict of interest is not identified or managed in a timely manner, including failure by the Investigator to disclose a significant financial interest that is determined by Fedsprout to constitute a financial conflict of interest; failure Federal entity to review or manage such a financial conflict of interest; or failure by the Investigator to comply with a financial conflict of interest management

plan, Fedsprount shall, within 120 days of its determination of noncompliance, complete a retrospective review of the Investigator's activities and the project funded under the DOE award to determine whether any project activity, or portion thereof, conducted during the time period of the noncompliance, was biased in the purpose, design, conduct, or reporting of such project.

- (iii) Based on the results of the retrospective review, if appropriate, Fedsprount shall update the previously submitted FCOI report, specifying the actions that will be taken to manage the financial conflict of interest going forward. If bias is found, Fedsprount will notify the DOE program office promptly and submit a mitigation report to the DOE program office. The mitigation report must include, at a minimum, the key elements documented in the retrospective review above, a description of the impact of the bias on the project, and Fedsprount's plan of action or actions taken to eliminate or mitigate the effect of the bias (e.g., impact on the project; extent of harm done, including any qualitative and quantitative data to support any actual or future harm; analysis of whether the project is salvageable). Thereafter, Fedsprount will submit FCOI reports annually or more frequently if specified by language in a Funding Opportunity Announcements (FOAs) or by term and condition of award.
- (6) Fedsprount shall monitor Investigator compliance with the management plan on an ongoing basis until the completion of the DOE award.
- (7) A nonexclusive list of conditions or restrictions, one or more of which might be imposed to manage a financial conflict of interest, includes:
- (i) Public disclosure of the financial conflict of interest (e.g., when presenting or publishing the project);
 - (ii) For projects involving human subjects, disclosure of financial conflicts of interest directly to participants;
 - (iii) Appointment of an independent monitor or oversight committee capable of taking measures to protect the purpose, design, conduct, and reporting of the project against bias resulting from the financial conflict of interest;
 - (iv) Modification of the project plan;
 - (v) Change of personnel or personnel responsibilities, or disqualification of personnel from participation in all or a portion of the project;
 - (vi) Reduction or elimination of the financial interest (e.g., sale of an equity interest); or
 - (vii) Severance of relationship(s) that create financial conflicts of interest.
- (8) For any financial conflict of interest previously reported by Fedsprount with regard to an ongoing project funded under a DOE award, Fedsprount shall provide DOE with an annual FCOI report that addresses the status of the financial conflict of interest and, if applicable, any changes to the management plan for the duration of the DOE award. The annual FCOI report shall specify whether the financial conflict is still being managed or remains

unmanaged/unmanageable. Alternatively, the annual FCOI report shall explain why the financial conflict no longer exists. Fedsprount shall provide annual FCOI reports to DOE for the duration of the project period (including extensions with or without funds) in the time and manner required by term and condition of award.

- (9) The President will ensure flow down of the requirements of the COI policy to any subrecipient non-Federal entities. Fedsprount will also flow these requirements down to consultants and contractors.
- (10) Fedsprount will inform each Investigator of its policy on financial conflicts of interest, the Investigator's responsibilities regarding disclosure of significant financial interests, and of DOE's Interim COI Policy; and require each Investigator to complete training regarding the same prior to engaging in projects related to any DOE financial assistance award and at least every four years, and immediately when any of the following circumstances apply:
 - (i) Fedsprount revises its financial conflict of interest policies or procedures in any manner that affects the requirements of Investigators;
 - (ii) An Investigator is new to Fedsprount; or
 - (iii) Fedsprount finds that an Investigator is not in compliance with Fedsprount's financial conflict of interest policy or management plan.
- (11) Any FCOI report required under 11 (i) and (ii) above shall include sufficient information to enable DOE to understand the nature and extent of the financial conflict, and to assess the appropriateness of Fedsprount's management plan.
- (12) Fedsprount shall maintain records relating to all Investigator disclosures of financial interests and Fedsprount's review of and response to such disclosures (whether or not a disclosure resulted in determination of a financial conflict of interest) and all actions under Fedsprount's policy or retrospective review, if applicable, for three years from the date of submission of quarterly or annual financial reports, or from the time the project work is completed for projects whose period of performance is less than 1 year long, except in the event of situations specified in 2 CFR 200.334.
- (13) If the failure of an Investigator to comply with Fedsprount's financial conflict of interest policy or a management plan appears to have biased the purpose, design, conduct, or reporting of the project funded under a DOE award, Fedsprount shall promptly notify the DOE of the failure to comply and of the corrective action taken or to be taken.
- (14) Upon DOE's request, Fedsprount will submit or permit on-site review of, all records pertinent to compliance with this Policy.

VII. FCOI Disclosure Form

- Investigator Name:
- Name of the entity with which the Investigator has a financial conflict of interest:
- Nature of Financial Interest (e.g., equity, consulting fee, travel reimbursement, honorarium) and/or applicable external relationships or activities:
- Value of Interest – select one (using ranges as specified):
 - 0-\$4,999
 - \$5,000-\$9,999
 - \$10,000-\$19,999
 - Amounts between \$20,000-\$100,000 (specify a range of no larger than \$20,000):
 - Amounts above \$100,000 (specify a range of no larger than \$50,000):
 - Value cannot be readily determined through reference to public prices or other reasonable measures of fair market value.
- Impact on Project:
- Trip Details:
 - Purpose of the Trip:
 - Sponsor/Organizer:
 - Destination:
 - Duration:

I understand that this Disclosure is required to obtain funding from the U.S. Government. I, [Full Name and Title], 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. §§ 1001 and 287, and 31 U.S.C. 3729-3730 and 3801-3812). I further understand and agree that (1) the statements and representations made herein are material to U.S. Government's funding decision, and (2) I have a responsibility to update the disclosures during the period of performance of the award should circumstances change which impact the responses provided above.

Investigator Name: _____ Date: _____

Signature: _____

IX. FCOI Report

FCIO Report Date: _____

- (i) DOE award number:
- (ii) PI or Contact PI if a multiple PI model is used:
- (iii) Name of the Investigator with the financial conflict of interest:

- (iv) Name of the entity with which the Investigator has a financial conflict of interest:

- (v) Nature of any applicable financial interest (e.g., equity, consulting fee, travel reimbursement, honorarium) and/or applicable external relationships or activities:

- (vi) Value of any applicable financial interest (dollar ranges are permissible: \$0-\$4,999; \$5,000-\$9,999; \$10,000-\$19,999; amounts between \$20,000-\$100,000 by increments of \$20,000; amounts above \$100,000 by increments of \$50,000), or a statement that the interest is one whose value cannot be readily determined through reference to public prices or other reasonable measures of fair market value:

- (vii) A description of how the financial interest relates to the project funded under a DOE award and the basis for Fedsproust's determination that there is a conflict with such project:

- (viii) [Applicable when a DOE program office requires Fedsproust to include all Investigator FCOIs – including managed and unmanaged/unmanageable FCOIs – in the FCOI Report] A description of the key elements of the Fedsproust's management plan, including:
 - (A) Role and principal duties of the conflicted Investigator in the project;

(B) Conditions of the management plan;

(C) How the management plan is designed to safeguard objectivity in the project;

(D) Confirmation of the Investigator's agreement to the management plan;

(E) How the management plan will be monitored to ensure Investigator compliance; and

(F) Other information as needed.

Authorized Official Name: _____ Date: _____

Signature: _____