

**Los Angeles County Sanitation Districts  
Conflict of Interest Policy for Projects  
Funded by the United States Department of Energy**

**I. PURPOSE**

The Los Angeles County Sanitation Districts (“**LACSD**”) adopts this Conflict of Interest Policy to comply with the United States (“**U.S.**”) Department of Energy (“**DOE**”) Interim Conflict of Interest Policy for Financial Assistance, Financial Assistance Letter 2022-02 dated December 20, 2021 (“**DOE Interim COI Policy**”). The purpose of this Policy is to ensure that the design, conduct, and reporting of LACSD projects wholly or in part funded under DOE financial assistance awards will be free from bias resulting from financial conflicts of interest or organizational conflicts of interest. This Policy supplements LACSD’s generally applicable Conflict of Interest Code.

**II. SCOPE**

This Policy applies to all DOE-funded projects undertaken by LACSD. The requirements in this Policy apply to every individual responsible for the design, conduct, or reporting of the results of work performed or to be performed on behalf of LACSD for the DOE-funded project.

**III. DEFINITIONS**

- **Designated Conflict of Interest Official** means the individual designated by LACSD with the authority and responsibility to act on behalf of LACSD to ensure compliance with the DOE Interim COI Policy. For the purposes of this Policy, the Designated Conflict of Interest Official is the LACSD Chief Engineer and General Manager, or his or her designee.
- **Organizational Conflict of Interest** means a situation where because of relationships with a parent, affiliate, or subsidiary organization, LACSD is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.
- **Reimbursed or Sponsored Travel** means travel related to an individual’s LACSD responsibilities that is reimbursed or sponsored by an individual or entity other than a U.S. federal, state or local government agency, a U.S. institution of higher education, or a research institute, academic medical center, or hospital affiliated with a U.S. institution of higher education.
- **Significant Financial Interest** has the definition of that term set forth in the DOE Interim COI Policy.<sup>i</sup>

**IV. INDIVIDUAL FINANCIAL CONFLICTS OF INTEREST**

**A. Training**

Individuals subject to this Policy must complete training regarding this Policy and the DOE Interim COI Policy 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:

- LACSD revises its financial conflict of interest policies or procedures in any manner that affects the requirements of the individual.
- The individual is new to LACSD or the DOE-funded project.
- LACSD finds that the individual is not in compliance with this Policy or any related management plan.

**B. Disclosure of Individual Financial Conflicts of Interest**

Individuals subject to this Policy must disclose their Significant Financial Interests and any Reimbursed or Sponsored Travel in writing to the Designated Conflict of Interest Official as follows:

- Prior to participating in a DOE-funded project.
- Annually during the period of the DOE award, even if there are no changes.
- Within 30 days of discovering or acquiring Significant Financial Interests or any Reimbursed or Sponsored Travel.

Each disclosure and updated disclosure described above must be signed and dated by the individual and include a certification statement as follows:

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.

**C. Management and Review of Individual Financial Conflicts of Interest**

The Designated Conflict of Interest Official will solicit and review all disclosures of Significant Financial Interests and Reimbursed or Sponsored Travel and determine if any present a financial conflict of interest. A financial conflict of interest exists when LACSD, through the Designated Conflict of Interest Official, reasonably determines that the Significant Financial Interests or Reimbursed or Sponsored Travel could directly and significantly affect the purpose, design, conduct, or reporting of the project funded under a DOE award. If a financial conflict of interest exists, the Designated Conflict of Interest Official will develop and implement a management plan that will specify the actions that have been, and will be, taken to manage such financial conflict of interest.

Prior to LACSD's expenditure of any funds under a DOE-funded project, LACSD will provide to the DOE program office a financial conflict of interest report in accordance with the DOE Interim COI Policy regarding any individual's unmanaged or unmanageable significant financial interest found by LACSD to be conflicting. During the period of the DOE award, LACSD will, within 60 days of receipt of disclosure of a new or newly-discovered Significant Financial Interest, review the disclosure, determine whether it is related to a DOE-funded project, determine whether it constitutes a financial conflict of interest, and if so, implement a management plan and report the financial conflict of interest to the DOE program office. For any financial conflict of interest previously reported by LACSD with regard to an ongoing project funded under a DOE award, LACSD will provide DOE with an annual report that addresses the status of the financial conflict of interest.

LACSD will maintain and, where required under law, make publicly available the conflict of interest disclosure summaries for DOE-funded projects.

## **V. ORGANIZATIONAL CONFLICTS OF INTEREST**

LACSD must disclose any potential or actual Organizational Conflict of Interest in writing to the appropriate DOE program office in any 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 (to the extent one exists in the future). The disclosure shall include the information required for such disclosures in the DOE Interim COI Policy. If the effects of the potential or actual Organizational Conflict of Interest cannot be avoided, neutralized, or mitigated, the anticipated procurement or other transaction using DOE funds may not be made.

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<sup>i</sup> The DOE Interim COI Policy states:

Significant financial interest means:

- (1) A financial interest consisting of one or more of the following interests of the Investigator (and those of the Investigator's spouse and dependent children) that reasonably appears to be related to the Investigator's non-Federal entity responsibilities:
  - (i) 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 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;
  - (ii) 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);

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(iii) Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.

- (2) Investigators also must disclose the occurrence of 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, provided that this disclosure requirement does not apply to travel that is reimbursed or 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. The non-Federal entity's FCOI policy will specify the details of this disclosure, which will include, at a minimum, the purpose of the trip, the identity of the sponsor/organizer, the destination, and the duration. In accordance with the non-Federal entity's FCOI policy, the non-Federal entity official(s) will determine if further information is needed, including a determination or disclosure of monetary value, in order to determine whether the travel constitutes a FCOI with the project funded under the DOE award.
- (3) The term significant financial interest does not include the following types of financial interests: salary, royalties, or other remuneration paid by the non-Federal entity to the Investigator if the Investigator is currently employed or otherwise appointed by the non-Federal entity, including intellectual property rights assigned to the non-Federal entity and agreements to share in royalties related to such rights; any ownership interest in the non-Federal entity held by the Investigator, if the non-Federal entity is a commercial or for-profit organization; income from investment vehicles, such as mutual funds and retirement accounts, as long as the Investigator does not directly control the investment decisions made in these vehicles; 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.