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Grants Policies and Procedures February 2024

Accounting/Financial Management

Oversight and Approval of Federal Assistance Agreements

The Energy Program and Water and Land Program (program/s) are responsible for preparing proposals for projects that the program/s intends to pursue. However, all proposals shall be reviewed and approved by the Executive Director via IEC's internal review process to ensure the program goals are appropriate and the proposed budget includes all appropriate costs. All appropriate costs include the funding source providing its fair share of Iowa Environmental Council's (IEC) administrative, management, and other organization-wide costs. Final proposals shall be reviewed and approved in writing by the Executive Director unless directed otherwise by the Board. For each federal award, an employee within the program/s responsible for administering the award will be designated as "grant manager."

When a grant is received or renewed, a copy of the executed or amended grant agreement must be forwarded to the Finance and Operations Administrator. The Finance and Operations Administrator will set up a permanent file for the grant and maintain the contract along with other financial correspondence regarding the grant. The grant file will document major actions from the award of the grant through its closeout (i.e., award documents; fiscal information including Federal Financial Reports, procurement documentation, payment requests, etc.; pre-award documentation including application, contracting process, intergovernmental review, etc.; post-award documentation including deliverables, progress reports, and correspondence with funder; and closeout documents). Each grant manager shall attend a training on grant management prior to beginning his or her role as a grant manager (or as early in their functioning as a grant manager as practical). Thereafter, all grant managers shall attend refresher/update courses on grant management as needed.

Sarah Green – Executive Director

Kerri Johannsen – Energy Program Director

Vacant – Water and Land Program Manager

Cody Smith – Climate Initiatives Director

Kitty Jacobson – Finance and Operations Administrator

The Internal Control Policy has been prepared to document the internal accounting procedures for IEC. Its purpose is to ensure that assets are safeguarded, financial statements are in conformity with generally

accepted accounting principles (GAAP), and finances are managed with responsible stewardship. The organization has made every effort to ensure that the procedures in this manual follow all federal, state, and local laws and regulations. In the event that a federal, state, or local regulation conflicts with any provision contained in this manual, the appropriate law or regulation shall prevail, and the provision deemed amended to the extent necessary to comply with the applicable law or regulation.

IEC's financial management system tracks revenues and expenditures and provides financial results separately for each assistance agreement project. Each funding source and application of funds is identified and maintained with records that show obligations, unobligated balances, assets, outlays, income, and interest (when applicable). This information is tracked through our QuickBooks software system and supporting Microsoft Excel spreadsheets for any information that cannot be tracked in QuickBooks.

IEC employs a system of unique identifiers to ensure an accounting structure that provides accurate and complete information about all financial transactions. When IEC is awarded a new grant or contract, the Finance and Operations Administrator coordinates with project staff to ensure an appropriate unique identifier is developed that will ultimately serve as the internal identifier for that grant or contract in our financial systems.

All transactions are linked to two unique identifiers – one identifier that declares the reason for the transaction (i.e., the grant or contract, plus a sub-project under a grant or contract where appropriate, referred to as a sub-code, associated with the transaction), and a second identifier that declares the type of transaction (i.e., salaries, project supplies, travel, etc.). By delineating a reason for the transaction, an associated grant or contract is identified, which ultimately traces the cost to the source of funds.

The financial management system reports and allows a comparison of outlays to budgeted amounts for each assistance agreement award. IEC records grant receivable and income as it is earned and billed during the grant year. The Finance and Operations Administrator is responsible for monitoring budget-to-actual expenditures throughout the grant year. Accounting and program staff meet monthly to discuss grant fiscal results and any action needed to be taken.

IEC maintains records that identify adequately the source and application of funds for federally funded activities. These records must contain information pertaining to federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income, and interest and be fully supported by source documentation. A source document is the original document that contains the details of a business transaction. A source document captures the key information about a transaction, such as the names of the parties involved, amounts paid, the date, and the substance of the transaction.

Examples of source documents are:

- Invoices*
- Receipts*
- Check stubs*
- Bank statements*

Procedure for Drawing Funds and Advanced Payments

The IEC will draw down federal funds approximately once a month unless the federal granting agency requires another way of accessing their funds. The draw down process is performed by the Finance and Operations Administrator with oversight of the Executive Director. For federal grants and contracts, funds will be drawn down on a reimbursement basis (i.e., federal funds are not drawn down until they have been spent). The IEC complies with federal provisions for minimizing the time elapsing between the drawdown of funds and disbursement by operating its federal grant awards on a reimbursement basis.

Prior to conducting the drawdown, a report is generated in Excel to show a comparison of revenues to expenses to date for each federal grant. The Finance and Operations Administrator will conduct an analysis of budget to actual expenses and a summary of funds drawn to date prior to drawing down funds. The analysis spreadsheet is organized by individual grant index, granting agency and the grand total of all federal grant funds to be drawn down. Federal grant funds are received from each granting agency via wire transfer. The Finance and Operations Administrator with oversight of the Executive Director, is authorized to request payments from the Federal government for grant awards from the federal website. The Finance and Operations Administrator prepares reimbursement requests/invoices and supporting documentation in accordance with the associated grant and contract requirements, ensuring that all expenses submitted for reimbursement are reasonable, allowable, allocable, and accurate. The Executive Director is copied on all invoices and payment requests and verifies that the requests and payments requests are accurate. Supporting documents are provided for the draw of funds and for issuing payments.

Supporting documentation for expenses include staff federal project timesheets, receipts, mileage and expense reimbursement forms with associated approvals.

After the drawdown request has been finalized, the completed analysis is used to allocate the funds when they arrive. A journal voucher is then created by the Finance and Operations Administrator. The journal voucher is electronically approved by the Executive Director to ensure that the amount loaded into each federal grant equals the requested draw down amount.

IEC ensures that costs charged to grants are reasonable, allocable, and allowable. The organization follows the Cost Principles of Subpart E CFR [§200.400](#) with allocation and allowability in subsections 403; 404; 405; 408; and 410.

Any cost allocable to a particular Federal award under the principles provided for in this part will not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons.

Should a time come where the IEC requires advance funding, the IEC will first communicate the need to the Executive Director and the Program Director and then follow all applicable steps to complete the process in accordance with the grant terms & conditions. Federal funds received in advance to pay for incurred expenses shall not exceed the exact amount of stated expenses and will be deposited in an interest-bearing account. The timing and amount of cash advances shall be as close as is administratively feasible to actual disbursements and will be expended within five (5) business days.

The following is a list of personnel who have fiscal and accounting responsibilities:

Board of Directors

- 1. Reviews and approves the annual budget*
- 2. Reviews and approves monthly financial statements and information*
- 3. Reviews and approves all financial reports including cash flow projections*
- 4. Reviews Executive Director's performance annually and establishes the salary*
- 5. Two members of the board are appointed by the board to be authorized signers on the bank accounts*
 - a. All checks over \$5,000 require two signatures*
- 6. Reviews and approves the yearly audit*
- 7. Oversee and reviews all risk management, policies and procedures, including all insurances*
- 8. Reviews and advises staff on internal controls and accounting policies and procedures*
- 9. Monitors and approves recommendations for asset retirement and replacement with the advice of the outside auditor*

Executive Director

- 1. Reviews all financial reports and cash flow projections*
- 2. Oversees that an appropriate budget is developed annually*
- 3. Reviews and signs all issued checks*
- 4. Reviews and approves all contracts with appropriate program staff*
- 5. Reviews and approves all grant submissions*
- 6. Reviews all inter-account bank transfers before transactions are finalized*
- 7. Is on-site signatory for all bank accounts*
- 8. Oversees and approves all banking and investment account monthly reconciliations*
- 9. Oversees and approves all payroll transactions*
- 10. Oversees the adherence to all internal controls*
- 11. Approves all program expenditures*

Finance and Operations Administrator

- 1. Monitors program budgets*
- 2. Reviews all payrolls and is responsible for all personnel files*
- 3. Reviews and manages cash flow*
- 4. Reviews all reimbursements*
 - a. Reimbursable expenses are approved by program directors for review and approval by Finance and Operations Administrator*
- 5. Process all inter-account bank transfers*
- 6. Drafts and assists Executive Director with the development of annual organization and program budgets*
- 7. Processes all incoming and outgoing invoices*

- a. *Reviews all incoming invoices with appropriate program director who then approves payment which the Executive Director oversees*
 - b. *Processes invoices and prepares checks for signature*
 - c. *Mails vendor checks*
 - d. *Processes and sends all outgoing invoices through QuickBooks or other required formats*
 - e. *Manages Accounts Receivable*
8. *Manages the petty cash fund*
 9. *Receives and opens all incoming mail*
 10. *Monitors all expenses as related to the approved budget*
 - a. *Oversees expense allocations*
 11. *Monitors grant reporting and appropriate release of restricted funds*
 12. *Reviews all financial reports*
 13. *Overall responsibility for data entry into accounting system and integrity of accounting system data*
 14. *Makes bank deposits*
 15. *Processes payroll*
 16. *Maintains general ledger*
 17. *Prepares monthly and year-end financial reports*
 18. *Reconciles all bank accounts*

Staff within the organization prepare and submit Interim/Final Financial Status Reports (SF-425) as required at least annually for all federal funding sources. The organization monitors and provides project, program, and financial performance reports to the awarding agency.

The IEC Program Director and the Executive Director together prepare regular updates on the status of the program implementation according to the award's terms and conditions. Together they will review the grant documentation to determine the frequency and format of the technical reports. The Program Director will send a reminder of when the report is due to all responsible staff including the Executive Director and Finance and Operations Administrator. The Finance and Operations Administrator will prepare and submit an Interim/Final Financial Status report (SF-425) annually for all Federal grants.

The IEC does not have an agreed indirect cost rate under the EPA assistance agreements. The IEC uses the 10% de minimis rate for indirect costs.

The Finance and Operations Administrator will register and/or update organization information in the SAM portal as required by federal grant agreements to maintain SAM compliance. Once annually the Finance and Operations Administrator will submit financial information through the SAM.gov portal. This information is downloaded from QuickBooks and represents an up-to-date financial picture.

For any sub-recipient awards (including executive compensation) greater than or equal to \$30,000, the IEC as Prime Grant Recipient will adhere to the FFATA/FSRS subaward reporting requirements as outlined in the Office of Management and Budgets guidance by the end of the month following the month in which the prime recipient awards any subaward greater than or equal to \$30,000.

PAYROLL

Employee fringe benefits are documented in the IEC Personnel Policies.

The IEC pays its employees on a bi-monthly basis. Non-exempt employees timesheets are generated using an excel spreadsheet which are approved by a supervisor and signed by the employee and employer at the end of each pay period.

Excel spreadsheets are completed to include all specific time spent on each government grant or project, as well as a specific task/activity from an approved work plan and posted in QuickBooks using unique identifiers for each project.

Staff track time away from the office (i.e., vacation, sick, personal, etc.) and supervisors approve and review time records of their staff for the pay period. The Finance and Operations Administrator compares timesheets for accuracy.

The organization applies salaries, wages, and benefits consistently to both federally and non-federally funded projects for the same labor categories. Total compensation paid to employees is reasonable according to the work performed on the Assistance Agreement.

Travel

Business Travel

IEC staff are required to obtain travel authorizations and approvals prior to travel. All requests must be authorized in advance by the Director/Supervisor and/or the Executive Director, even if no advance of funds is being requested.

Receipts to support actual costs must be submitted after each trip. Receipts are marked to allow identification of the specific federally funded project for which they were incurred. Travel associated with a specific federally funded project are billed to that grant only and reviewed to ensure that travel costs are allowable, allocable, and reasonable. Lodging will only be covered with federal funds up to the current federally accepted rate.

Equipment

Equipment and Property Management

The IEC will obtain prior approval from the awarding agency before purchasing capital equipment. The IEC recognizes capital equipment as tangible nonexpendable property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. All capital assets are recorded at historical cost as of the purchase date and that cost includes installation charges and freight. Invoices substantiating the acquisition cost of each unit of property shall be retained for a minimum of three years.

Inventory and Maintenance

The IEC labels all equipment with specific, individual identifiers and maintains a list of serial numbers, placement of equipment, cost of equipment, and assignment of equipment. All documentation of purchase including source, cost – noting the percentage of Federal participation-, purchase order numbers, date of purchase, and received date are retained accordingly. An inventory of equipment purchased with Federal grant funds is conducted every two years. The IEC verifies the existence and condition of the equipment and the accuracy or records related to the equipment. The organization establishes maintenance procedures and records of the operational condition of equipment. The Executive Director is notified of condition, location, loss, or damage to equipment. Records are submitted to the Executive Director for review and approval. When equipment items have depreciated by the auditor below \$5,000, the federal awarding agency will be contacted to have the item removed from the tracked inventory procedures. Title to equipment will vest with either the Federal Government or the IEC as specified by the awarding agency as documented in the agency terms and conditions.

Record Keeping

The IEC main maintains records tracking equipment including acquisition date, cost, description, serial number (or similar identification number like a model number), source of funding (including the Federal Award Identification Number, or FAIN), percentage of federal participation in the cost of the equipment, title holder, location, status of equipment (i.e., use and condition), and disposition data. This information is maintained by the Finance and Operations Administrator. If an item purchased with grant funds, the funding source, award number, and percentage of federal participation will be included in the equipment tracking database.

Equipment Disposal

If an item purchased with grant funds is determined to be obsolete, and the item's value exceeds \$5,000, disposition rules are followed. This may include requesting disposition instructions from the awarding agency. Disposition practices require compensating the federal awarding agency for its proportion of the original cost applied to the fair market value. The Executive Director is notified prior to the disposal of an asset purchased with federal funds.

Procurement

Guidelines for Purchases

Purchases are evaluated to ensure they are reasonable, allocable, and allowable. The vendor or contractor that meets the required quality standards at the lowest cost are selected. Regardless of the cost of acquisition, the organization avoids purchasing unnecessary items. Provisions that ensure that goods and services are received, approved and acceptable before payments are made. Where applicable, the organization evaluates lease vs. purchase options to determine which is more economical.

Program Directors and the Finance and Operations Administrator make purchasing decisions and are then approved by the Executive Director. The convenience afforded by this decentralized environment is coupled with full responsibility for decisions and a complete understanding of the procurement and purchasing policies and procedures of the organization. All purchasing decisions are made in the best interests of the organization and its related funders.

Purchasing with Federal Award Funds

Purchases made when procuring property or services through a federal award with federal funds follow the procurement standards under the Federal Uniform Grants Guidance. Procurement transactions maximize free and open competition. Written solicitations (RFP) have a clear scope of work, requirements and features prospective bidders must meet, a preference to conserving natural resources and the environment, and positive efforts to use small, disadvantaged and minority owned firms when possible. The organization documents the reason for the type of procurement bin used, the basis for contractor selection, a justification for lack of competition or sole-source procurement, and the basis for award cost and price.

Purchase requirements are based on the current federally adopted simplified acquisition thresholds (SAT). Purchases exceeding \$10,000 are subject to pre-award review by the Federal Entity to ensure procurement procedures are adequate. Special consideration is given to environmentally friendly, and energy efficient products/services. Quotes and bids must include specifications and qualifying characteristics considered by the vendor/contractor, including delivery and time frame, the scope of work, references, and other relevant specifications. A quote is a written statement from a vendor regarding the price for a specific good or service.

Purchase Threshold Requirements

Purchase Thresholds and categories are defined as follows:

- Micro-Purchases (Purchases under \$10,000)*
- Small Purchases (\$10,001 – \$250,000)*
- Competitive Purchases/Sealed Bids (\$250,001+)*
- Noncompetitive Proposals*

For all purchases (single or cumulative) over \$10,000 for a single vendor within a fiscal year, written price or rate quotes will be obtained from an adequate number of qualified sources.

Micro-Purchases (Purchases under \$10,000)

Competitive quotations are not required if the prices are reasonable. Selection will be based on quality and cost. To the extent practicable, purchases will be distributed equitable among qualified suppliers.

Small Purchases (\$10,001 – \$250,000)

The IEC will obtain price quotes which may be formal (i.e., a quote submitted to the organization on vendor letterhead) or they can be informal (i.e., phone call or web search) from an adequate number of sources. All quotes, including phone calls, web searches, etc. will be documented and kept on file.

Competitive Purchases/Sealed Bids (\$250,001+)

Sealed bids will be used when the selection of successful bidder can be made principally on the basis of price. Invitation for bids will define the items or services needed to allow bidders to properly respond. Descriptions will not contain features that unduly restrict competition, such as requiring certain brands or manufacturers of items. Bids will be solicited from an adequate number of known suppliers providing sufficient response time.

Noncompetitive Proposals

Procurement shall be conducted competitively to the maximum extent possible. Procurement by non-competitive proposals must have prior approval from any/all federal funding sources. Procurement by non-competitive proposals may be used only when the award of a contract is not feasible using small purchase procedures, sealed bids, or competitive proposals and one of the following applies:

- a) The item is available only from a sole source, based on a good faith review of available sources.*
- b) An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause severe injury to IEC staff or its partners, as may arise by reason of flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary to alleviate the emergency;
or*
- c) After solicitation of a number of sources, competition is determined inadequate.*

Written justifications for using such procedures shall support all procurements based on noncompetitive proposals. The Executive Director shall approve the justification in writing.

Conflict of Interest

No compensated officer, employee, or agent of the IEC shall participate in selection, award, or administration of a contract supported by federal funds or otherwise if a real, apparent, or potential conflict of interest exists. Such a conflict would arise when a compensated officer, employee, agent, or any immediate family member thereof, business or personal partner, or an organization which previously or currently employs or is about to employ any of the parties indicated herein, has a personal benefit, or a financial or other interest in the firm selected for an award.

Compensated officers, employees, and agents of the IEC shall neither solicit, nor accept, or offer gratuities, favors, or anything of monetary value from and/or to contractors, or parties to

contracts and sub agreements. However, compensated officers, employees, and agents of the IEC may offer or receive gratuities and/or gifts of appreciation for situations in which the financial interest is not substantial or the gratuity and/or gift is an unsolicited item of nominal value.

Any compensated officer, employee, or agent of the IEC in violation of said standards of conduct shall be subject to disciplinary action and/or penalty that could ultimately result in termination of employment. Executive Director, Supervisor and/or Board of Directors reserve the right to terminate employment effective immediately upon discovery of incident depending on the nature and severity of offense.

Each new employee of the organization will be introduced to and trained on this code of conduct upon hire. All employees will be periodically trained on the code of conduct requirements thereafter.

The IEC will sometimes retain the services of outside organizations while performing the work of a grant. These services will fall under one of the following three types of procurements: General Procurements (Contracts), Consultants, or Sub-recipient agreements. Before entering into any agreement with any organization, the IEC will check the status of the organization on www.sam.gov to assure that they are not subject to debarment or suspension. Often a contract or sub-recipient will be written into the grant proposal. In all cases, the contractor/sub-recipient must be approved by the granting agency.

If federal funds are to be transferred to other organizations, a formal, written subaward or contract agreement, which will be developed by the General Counsel, must be reviewed and approved by the Executive Director. IEC will refer to [2 CFR 200.331](#) regarding distinctions between subawards and contracts, and will ensure any subawards comply with these standards and are not used to acquire commercial goods or services for the recipient.

A procurement is considered a general procurement (Contract) if it is made from an organization that normally provides such goods and services to many organizations as part of its operations and if it operates in a competitive environment. For general procurements a contract or letter of agreement will be drawn up and signed by both parties. The contract or letter of agreement will clearly outline the materials, supplies or services that will be purchased or performed, the total cost of such goods or services, a clear delivery date of such materials or services. The contract or agreement will include a termination clause.

The procurement of goods and services will be considered a Sub-recipient on a grant if that organization completes a significant and substantive part of the effort, if that organization's work has its performance measured against whether the objectives of the program are met, if the organization has responsibility for programmatic decision making and if the organization has responsibility for adherence to applicable program compliance requirements.

A sub-recipient agreement will be drawn up and signed by both organizations. This agreement will include a description of the work to be performed, the period of performance for the work, the method by which the sub-recipient will be monitored and evaluated on their efforts, and the total cost of the work to be performed. The agreement will contain all the regulatory requirements of the grant or award as well as the CFDA title and number, award name and number, award year, and the name of the federal

agency providing the funding. The sub-recipient will be required to file progress reports and the frequency of the reports will be outlined in the agreement. Progress reports will be required quarterly, 30 days after the end of each quarter. Yearly progress reports will be required and must be filed within 90 days of the end of the year. Progress reports will include a comparison of actual accomplishments with the goals and objectives established for the period. Finally, a termination clause will be included in the Sub-Recipient agreement.

Any subrecipient must notify the IEC Executive Director of the existence of a conflicting interest within 30 days of the identification of the interest.

Contractor/Sub-Recipient Monitoring

The IEC will monitor the performance of sub-recipients and contractors by monthly contact or site visits to provide a reasonable assurance the organization is administering the funds in compliance with the laws, regulations, and provisions of the grant and that the performance goals are achieved. In addition, a copy of the organization's most recent Uniform Guidance audit report (Single Audit) will be requested and kept on file for each sub-recipient.

Any sub-recipient or contractor who receives more than \$25,000 from a single award will be reported on the FFATA website. The report will be filed by the end of the month following the signing of the contract or sub-recipient agreement.

Whether funds are transferred to other entities via sub-awards or contracts, The IEC will follow these standards:

- a) Require an entity to provide active Unique Entity Identifier (UEI) number and record of registration with SAM.gov before entering into an agreement;
- b) Confirm that a sub-recipient is not suspended or debarred from receiving federal funds by searching the Excluded Parties List System (EPLS), which has been consolidated under the System for Award Management (SAM)(<https://www.sam.gov/portal/public/SAM/>);
- c) Ensure that proposed costs are necessary, reasonable, and allocable;
- d) Ensure that any sub-awards to 501(c)(4) organizations do not involve lobbying activities;
- e) Obtain funder consent before making a sub-award to a foreign or international organization, or sub-award to be performed in a foreign country;
- f) Obtain funder approval for any new sub-award work that is **not** outlined in the approved work plan in accordance with 40 CFR Parts 30.25 and 31.30, as applicable;
- g) Establish agreements in writing;
- h) Incorporate provisions that ensure compliance with requirements of a federal grant as well as federal requirements of all procurements, regardless of the source of funds; sub-recipients must follow all guidelines of federal grant just as the IEC;
- i) Monitor the performance of their sub-recipients and ensure that they comply with all applicable regulations, statutes, and terms and conditions that flow down in the sub-award;
- j) Address reporting of sub-awards to the Federal Funding Accountability and Transparency Act (FFATA) Sub-award Reporting System (ftrs.gov) for all obligating actions of \$25,000 or more in Federal funds (not including Recovery Act funds)

- k) *Include enforcement procedures for noncompliance including conditions under which termination may occur.*

The IEC may secure a contract with a consultant, defined as an individual with specialized skills who, although not on the recipient's payroll as an employee, provides personal services to the recipient under an agreement that essentially establishes an employer-employee relationship between the recipient and the individual providing the services. The IEC will include a consultant expense in the budget proposal submitted to the federal agency. A consulting agreement will be drawn up and signed by both the Consultant and the IEC.

The IEC enacts controls to ensure that charges to the EPA agreements do not exceed EPA's allowed direct hourly, daily or other basis compensation does not exceed the amount paid to Federal employees at Level IV of the Executive Schedule. Daily rate and daily pay limitations will be computed using the Office of Personnel Management's fact sheets on how to compute rates of pay and expert and consultant pay.

The consulting agreement will contain a complete description of the services to be performed, the agreed upon price for such services, the period of performance for the services. The agreement will also outline measures of performance that must be met by the consultant, the process for evaluation of performance, as well as all the regulations required by the grant agreement. Finally, the agreement will include a termination clause.

The IEC does not engage in any form of construction and does have agreements, sub-agreements, or loans that involve federally funded constructions, alteration, or repair contracts over \$2,000 that require compliance with the Davis-Bacon act. The IEC does not

The IEC did not receive any American Recovery and Reinvestment Act (ARRA) either directly or indirectly from EPA and does not engage in construction, therefore the IEC did not use any funds to construct, alter, maintain or repair public buildings or works.

Research Project Financial Conflicts of Interest

Financial Conflict of Interest Policy

Iowa Environmental Council requires the disclosure, review/approval, and management of external activities or financial interests with the potential to interfere with one or more of the following:

- **Performance of Duties:** Covered employees are expected to devote sufficient time and attention to their IEC duties to perform them conscientiously. An external activity with the potential to interfere with the employee's IEC duties is known as a conflict of commitment.

- **Objectivity:** Covered employees are expected to be objective in the decisions they make while performing their IEC responsibilities. Financial or other personal considerations with the potential to compromise an employee's objectivity are known as conflicts of interest.
- **Appropriate Use of Resources:** State law prohibits the use of state resources for personal benefit when such use is detrimental to the state or a state IEC.

All covered employees are required to comply with this policy for disclosure, approval, and management of conflicts of interest and commitment.

Definitions

- **Conflict of Commitment:** An external activity with the potential to reduce the time and attention an employee can devote to his/her IEC responsibilities, and thus negatively impact his/her performance of assigned IEC duties, constitutes a "conflict of commitment."
- **Conflict of Interest:** Any external activity, significant financial interest or management role that has the potential to negatively impact objectivity in the execution of IEC duties is a "conflict of interest."
- **Consulting:** The term "consulting" refers to professional services to a non-IEC entity that are not a part of the employee's position responsibilities.
- **Covered Employee:** Covered employees, for the purposes of this policy, include all persons carrying out duties of federally-funded projects on behalf of the IEC. This definition includes full-time and part-time employees, contractors, and subrecipients/subawardees of the federal funding.
- **External Activities:** For the purposes of this policy, "external activities" means service and/or organized activities/employment which require a substantial and regular commitment of time, whether compensated or not, for a non-IEC entity. This term excludes scholarly activities undertaken as a part of the employee's position responsibilities.
- **Immediate Family Members:** For purposes of this policy, an "immediate family member" refers to spouse and dependent children. Domestic partners shall be treated as spouses for purposes of this policy. The definition is different in policies related to procurement.
- **Non-IEC Entity:** The term "non-IEC entity" includes for-profit or not-for-profit entities outside of the IEC, such as corporations, companies, partnerships, sole proprietorships, associations and governmental entities (federal, state or local).
- **Significant Financial Interest:** A "significant financial interest" is any financial interest that has the potential to compromise an individual's objectivity. The dollar value that is considered "significant" for the purposes of this policy is \$5,000 in any 12-month period, unless otherwise set by the relevant federal or state law, or agency policy. Significant financial interest includes, but is not limited to:
 - Equity ownership or stock options. Excepted are equities held in retirement accounts or mutual funds.
 - Sole proprietor, partner, owner or member of a partnership or limited liability for-profit entity (includes remuneration from private consulting activities).
 - Consulting substantially related to patented or patentable intellectual property in which the employee has an interest.
 - Consulting for an entity that has a financial interest in or sponsors the employee's IEC scholarly activities.

- Ownership of, or rights held in, intellectual property or research materials (which may include rights to receive royalties), the value of which may be affected by the outcome of the employee's IEC activities.
- Any of the above applicable to the employee's spouse and/or dependent children

Training

Employees subject to this policy must be trained on the financial conflicts of interest policy at least once every four years, prior to any work on the federally-funded projects subject to this policy, and immediately whenever:

- The non-Federal entity revises its financial conflict of interest policies or procedures in any manner that affects the requirements of Investigators;
- An Investigator is new to a non-Federal entity; or
- A non-Federal entity finds that an Investigator is not in compliance with the non-Federal entity's financial conflict of interest policy or management plan.

Disclosure of Significant Financial Interests

It is the responsibility of every employee covered by this policy to fully disclose the nature and degree of significant financial interests, as defined above. The disclosures must be made prior to initiating the activity, annually, and whenever the employee's situation changes. Disclosures must include any updates to previously-disclosed interests. If a change of situation creates a significant financial interest, disclosure is required within 30 days.

Disclosure must be made to the IEC Executive Director, who is designated to solicit and review disclosures of significant financial interests from each employee who is planning to participate in, or is participating in, the federally-funded project, as well as disclosures of subrecipients. Each disclosure and updated disclosure be signed and dated by the Investigator and include a certification statement that reads:

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.

Determination of Conflict

A financial conflict of interest exists when the IEC Executive Director determines that the significant financial interest could directly and significantly affect the purpose, design, conduct, or reporting of the federally-funded project.

Before expending federal funds, IEC must report to the federal funding entity any unmanaged or unmanageable significant financial interest. Any subsequent finding of a conflict will be reported to the funding entity within 30 days. Reports will meet the requirements of Department of Energy Interim Conflict of Interest Policy Requirements for Financial Assistance dated December 20, 2021.

Accessibility

Within five days of written request from the public, IEC must provide information concerning any significant financial interest that constitutes a financial conflict, including the name and title of the person involved, the nature of the significant financial interest, and the approximate dollar value of the significant financial interest. IEC will inform the requestor that the information is current as of the date it is provided, and will be updated within 60 days following any change in status and at least annually, and a new request must be submitted to obtain any updates.

Management Plans

Management plans are required for external activities, significant financial interests and/or management roles with the potential to impair an employee's ability to perform his/her IEC duties responsibly and with integrity. The form and content of management plans vary depending on the nature of the financial interest or management role and the presumed risks. Management plans will contain a written plan that describes the conflict; specifies the actions to be taken to manage, reduce, or eliminate the conflict; and defines the effective period of the plan.

All written plans must be reviewed and updated no less than annually for as long as the conflict exists. IEC will monitor compliance with the plan through the completion of the federally-funded project.

Disciplinary Actions

Failure to comply with this policy may result in sanctions or disciplinary actions in accordance with the Iowa Environmental Council employee handbook or the terms of contractual agreements. For any significant financial interest that was not timely disclosed, IEC will evaluate whether a conflict exists and, if one does exist, will promptly implement an interim management plan and complete a retrospective review within 120 days consistent with the Department of Energy Interim Conflict of Interest Policy Requirements for Financial Assistance dated December 20, 2021.

Records

IEC will retain the records of disclosures and any subsequent actions taken pursuant to this policy for the time period required in 2 CFR 200.334, or the duration specified in a funding award, whichever is longer.

Disadvantaged Business Enterprises (DBE)

Disadvantaged and Small Business Enterprises (DBE / SBE)

It is the policy of the IEC to ensure that Disadvantaged Business Enterprises have an equal opportunity to receive and participate in contracts. It is also the practice of the organization to ensure

nondiscrimination in the award and administration of contracts; to create a level playing field on which DBEs and small businesses can compete fairly for contracts; to ensure that the DBE program is narrowly tailored in accordance with applicable law; to ensure that only firms that fully meet eligibility standards are permitted to participate as DBEs; to help remove barriers to the participation of DBEs and small businesses in federally funded contracts; and to assist the development of firms that can compete successfully in the marketplace outside the DBE program.

Whenever possible, DBE and SBE contractors and vendors shall be given procurement preference when multiple bids have been received that are equal in value and services to be provided. When services or goods related to Capital Projects are to be procured, IEC staff will comply with all SBE and DBE requirements outlined in the funding agreements. These Good Faith Efforts are methods used by IEC to ensure Disadvantaged Business Enterprises (DBE) have the opportunity to compete for procurements funded by federal financial assistance dollars.

The organization documents the methods used to adhere to the Good Faith Efforts and will retain the documentation in the records of the organization. Documentation will include, but is not limited to, email logs, phone logs, electronic searches and communication, handouts, flyers, or similar records. In addition, if one or more of the Good Faith Efforts cannot be performed, the circumstances that have prohibited the full execution of each step will be documented and retained.

- Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities.*
- Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process.*
- This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.*
- Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. This may include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.*
- Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.*
- Use the services and assistance of the SBA and the Minority Business Development Agency of the Department of Commerce.*
- If the prime contractor awards subcontracts, require the subcontractor to take these same steps.*

As applicable, IEC will submit the required MBE/WBE Utilization Form <https://www.epa.gov/grants/epa-form-5700-52a-united-states-environmental-protection-agency-minority-business> (at least annually) to applicable federal agencies for any assistance agreement when: funds are budgeted for procuring construction, equipment, services and supplies (including funds budgeted for direct procurement by the recipient or procurement under sub-awards or loans in the "Other" category) with a cumulative total that exceed the Simplified Acquisition Threshold (SAT) (currently, \$250,000), including amendments and/or modifications? Note: The threshold will be automatically revised whenever the SAT is adjusted; See 2 CFR Section 200.1) The IEC will submit the required Disadvantaged Business Enterprise (DBE)

reports annually to the EPA for any assistance agreement when \$3,000 or more is budgeted for supplies, and there are subawards with supplies budget that are \$3,000 or more.