

## **M.J.M. ELECTRIC COOPERATIVE, INC.**

### **SECTION II – PERSONNEL AND FACILITIES**

**Policy 39      Approved: July 24, 2025**

#### **CONFLICT OF INTEREST POLICY FOR DEPARTMENT OF ENERGY FEDERAL FINANCIAL ASSISTANCE PROJECTS**

##### **I. INTRODUCTION.**

MJM Electric Cooperative, Inc. (“Company”) has prepared this DOE Conflict of Interest Policy to identify and mitigate any potential, actual, or perceived financial conflicts of interest (“FCOI”) or organizational conflicts of interest (“OCOI”) that might arise from the work performed by the Company under all projects for which financial assistance funding is sought or received from the U.S. Department of Energy (“DOE”), whether such funding is received directly by the Company or indirectly as a subrecipient.

Under DOE’s Interim Conflict of Interest (“COI”) Policy, the Company, must certify that it: (a) has in effect an up-to-date, written, and enforced administrative process to identify and manage conflicts of interest with respect to all projects for which financial assistance funding is sought or received from DOE; (b) shall promote and enforce Investigator compliance with the DOE Interim COI Policy’s requirements including those pertaining to disclosure of significant financial interests; (c) shall manage FCOI and provide initial and ongoing FCOI reports to DOE; (d) agrees to make information available, promptly upon request, to DOE relating to any Investigator disclosure of financial interests and Company’s review of, and response to, such disclosure, whether or not the disclosure resulted in the Company’s determination of a FCOI; and (e) shall fully comply with the requirements of the DOE Interim COI Policy.

##### **II. PURPOSE.**

In accordance with the DOE Interim COI Policy, the purpose of this policy is to establish standards that provide a reasonable expectation that the design, conduct, and reporting of projects wholly or in part funded under the DOE Financial Assistance Awards will be free from bias resulting for FCOI or OCOI, by: (a) providing a Company administrative process to identify, manage, and report (if applicable) any potential, perceived, or actual FCOI or OCOI, and (b) requiring Investigators to disclose any Significant Financial Interests to ensure any perceived, possible, or actual FCOI are identified, mitigated, and/or reported (as required).

This Policy is intended to supplement but not replace any applicable federal and state laws governing conflicts of interest applicable to the Company. In the case of any discrepancies between the minimum requirements of this Policy and the minimum requirements of the DOE Interim COI Policy, the DOE Interim COI Policy shall control and take precedence. Compliance

with this policy does not excuse any employee, officer, director or agent of the Company from complying with the Company's Ethics and Conflict of Interest Policy.

### **III. SCOPE.**

This policy applies only to projects that have DOE funding, whether in part or in whole. Note that this policy addresses FCOI of Investigators (as defined below) and Investigators' spouses and dependent children. Questions regarding this policy and its applicability should be directed to the President/CEO.

### **IV. DEFINITIONS.**

**"Award", "Financial Assistance Award" or "Federal Award"** means the same as the definition provided in 2 CFR 200.1 for Federal Award.

**"Contracting Activity"** means an organizational element that has the authority to award and administer contracting and financial assistance instruments.

**"Disclosure of Significant Financial Interests"** means an individual's disclosure of Significant Financial Interests to a Non-Federal Entity.

**"DOE"** means the U.S. Department of Energy, the National Nuclear Security Administration, and any components of the DOE to which the authority involved may be delegated.

**"DOE Program Office"** means the organizational unit of DOE, led by an officer of the Department who has been appointed by the President by and with the advice and consent of the Senate, that funds and/or manages the Awards subject to this Policy. For purposes of this Policy, the term "DOE Program Office" includes the organization responsible for executing program management functions; the cognizant Contracting Activity; and the field elements in safety and health, administrative, management, and technical areas.

**"Financial Conflict of Interest" or "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.

**"FCOI Report"** means a Non-Federal Entity's report of a FCOI to the DOE Program Office.

**"Financial Interest"** means anything of monetary value, whether or not the value is readily ascertainable.

**"Institution of Higher Education"** means the same as the definition provided at 20 USC § 1001(a).

**“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.<sup>1</sup>

**“Investigator’s Non-Federal Entity Responsibilities”** means an Investigator’s professional responsibilities on behalf of the Non-Federal Entity.

**“Manage”** means taking action to address a FCOI, which can include mitigating or eliminating the conflict of interest, to ensure, to the extent possible, that the purpose, design, conduct, and reporting of a project will be free from bias.

**“Non-Federal Entity”** means a State, local government, Indiana tribe, Institution of Higher Education, nonprofit organization, or for-profit organization that carries out a DOE award as a Recipient or Subrecipient.

**“Organizational Conflict of Interest”** or **“OCOI”** means a situation where because of relationships with a parent company, affiliate, or subsidiary organization, the Non-Federal Entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization. 2 CFR 200.318(c)(2).

**“Potential Conflict of Interest”** exists when an impartial observer reasonably believes that actual or apparent past, present, or currently planned interests could constitute a conflict of interest with a Project funded under a DOE Award.

**“Principal Investigator”** or **“PI”** means a principal investigator of a project funded under a DOE Financial Assistance Award; PI is included in the definitions of senior/key personnel and Investigator.

**“Project”** means the interdependent activities funded wholly or in part under the 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 completion and achievement of a specific goal, and 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.

**“Recipient”** means an entity, usually but not limited to Non-Federal Entities, that receives a Federal Award directly from a Federal awarding agency. The term “Recipient” does not include subrecipients or individuals that are beneficiaries of the Award.

**“Senior/key personnel”** means the PI; any other person who significantly influences the design, conduct, or reporting of a Project funded under a DOE Award; and any other person

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<sup>1</sup> DOE Program Offices have the discretion to expand this definition to include any person who participates in the purpose, design, conduct, or reporting of a Project funded by DOE or proposed for funding by DOE. Such expansion will be specified in the applicable funding opportunity announcement and/or terms and conditions of the financial assistance award.

identified as a senior/key personnel by the Non-Federal Entity in the application for financial assistance, approved budget, progress report, or any other report submitted to the DOE by the Non-Federal Entity under this Policy.

**“Significant Financial Interest”** means:

- A. 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:
  - 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 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 Investigator’s spouse or dependent children) holds any equity interest (e.g., stock, stock option, or other ownership interest);
  - 3. Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.
- B. Investigators must also 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. This disclosure must include, at a minimum, the purpose of the trip, identity of the sponsor/organizer, the destination, and the duration.

- C. 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.

“**Subrecipient**” means an entity, usually but not limited to Non-Federal Entities, that receives a subaward from a pass-through entity to carry out part of a Federal Award but does not include an individual that is a beneficiary of such Award. A Subrecipient may also be a recipient of other Federal Awards directly from a Federal awarding agency.

## **V. REQUIREMENTS**

The Company commits to taking actions necessary to identify, mitigate, manage, resolve, and report possible, perceived, or actual FCOI, including any financial conflicts of a Company Investigator or a Subrecipient Investigator. This includes the management of an identified FCOI, including the development and implementation of a management plan and, if necessary, a retrospective review and a mitigation report. Likewise, the Company commits to taking actions necessary to identify, mitigate, manage, resolve, and report possible, perceived, or actual OCOI. To the extent the Company engages a Subrecipient, it shall ensure such Subrecipients comply with the policies and procedures set forth in the DOE Interim COI Policy.

### **A. Financial Conflicts of Interest.**

1. **Duties of Investigators to Disclose.** In accordance with DOE’s Interim COI Policy, every Investigator (i.e., any Company or Subrecipient employee or contractor, 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) has: (a) a duty and responsibility to disclose Significant Financial Interests; and (b) a requirement to complete training regarding the disclosure of Significant Financial Interests (i) prior to engaging in Projects related to any DOE Financial Assistance Award; (ii) at least every four years; and (iii) immediately when any of the following circumstances apply:

- The Company revises this policy or procedures in any manner that affects the requirements of Investigators;
- An Investigator is new to the Company; or
- The Company finds that an Investigator is not in compliance with this Policy.

Specifically, Investigators are required to:

- Complete the Company's Significant Financial Interests Disclosure Form disclosing the Investigator's Significant Financial Interests (and those of the Investigator's spouse and dependent children) either: (a) no later than the time of application for the DOE Award; or (b) prior to participating in a Project funded under a DOE Award.
- Submit an updated disclosure of Significant Financial Interests at least annually during the period of the Award. Such disclosure should include information that was not previously disclosed and updated information regarding any previously disclosed Significant Financial Interest.
- Submit an updated disclosure of Significant Financial Interests within thirty days of discovering or acquiring (e.g., through purchase, marriage or inheritance) a new Significant Financial Interest.

## 2. **Disclosure Review Process.**

- a. **Determining if an FCOI Exists.** Pursuant to DOE's Interim COI Policy, the Company's Designated Official shall be responsible for determining whether an Investigator's Significant Financial Interest is an FCOI. An Investigator's Significant Financial Interest is related to a Project funded under a DOE Award when the Company reasonably determines that the Significant Financial Interest could be affected by the Project, could affect the Project, is in an entity whose Financial Interest could affect the Project, or is in an entity whose Financial Interest could be affected by the Project. A FCOI exists when



the Company reasonably determines that the Significant the Significant Financial Interest could directly and significantly affect the purpose, design, conduct, or reporting of the Project funded under a DOE Award. The Designated Official must review and manage any potential, perceived, or actual FCOI by developing and implementing a management plan that shall specify the actions that have been, and shall be, taken to manage such FCOI.

- b. **Record Retention.** The Designated Official shall maintain records relating to all Investigator disclosures of Financial Interests and the Company's review of and response to such disclosures (whether or not a disclosure resulted in the Company's determination of a FCOI) and all actions under this Policy or in retrospective review, if applicable, for the time period specified in 2 CFR 200.334 or, where applicable, from other dates specified in the individual Award terms and conditions.

- 3. **Management Plans.** Plans for managing an identified FCOI will be monitored for compliance until completion of the Project. Each management plan will specify: (a) the role and principal duties of the conflicted Investigator; (b) conditions of the management plan; (c) how the management plan will safeguard objectivity in the Project; (d) confirmation of the Investigator's agreement to the management plan; and (e) how the management plan will be monitored to ensure compliance.

- 4. **Reporting of Financial Conflict of Interest.**

- a. **Initial FCOI Reports.** In accordance with DOE's Interim COI Policy, prior to the Company's expenditure of any funds under a DOE-funded Project, the Company shall provide to the DOE Program Office a FCOI Report regarding any Investigator's managed, unmanaged or unmanageable Significant Financial Interest found by the Company to be conflicting.<sup>2</sup> Notwithstanding the foregoing, the Company does not need to include any Investigator's managed Significant Financial Interest if not required by the DOE Program Office.

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<sup>2</sup> DOE Program Offices may, by language in Funding Opportunity Announcements or term and condition of Award, require a Non-Federal Entity's FCOI Report to also list any Investigator's Significant Financial Interest found by the Non-Federal Entity to be conflicting and addressed by a management plan in accordance with the DOE's Interim COI Policy.

- b. **Subsequent FCOI Reports.** In accordance with DOE's Interim COI Policy, the Company shall provide additional FCOI reports under the following circumstances:
- i. At least annually throughout the lifetime of the Award. When a FCOI ceases to exist during the course of an ongoing Project. Such annual reports shall address the status of all FCOIs, any changes to the management plan, specify whether the FCOI is managed or remains unmanaged/unmanageable, or explain why the FCOI no longer exists.
  - ii. Within sixty (60) days of any subsequently identified FCOI.
  - iii. Within sixty (60) days of the disclosure of any managed, unmanaged, or unmanageable Significant Financial Interest by a new Investigator to an ongoing Project which amounts to an FCOI. Notwithstanding the foregoing, the Company does not need to include any Investigator's managed Significant Financial Interest if not required by the DOE Program Office.
- c. **Requested FCOI Reports.** The Company shall provide, on request, FCOI Reports and supporting documentation about any Significant Financial Interest found by the Company to be conflicting, regardless of whether or not the conflict has been managed, mitigated, or eliminated.
- d. **Retrospective Review.** If, during the course of a Project funded by DOE, the Company identifies a Significant Financial Interest that was not disclosed by an Investigator in a timely manner, or which was not previously reviewed, the Designated Official will review the Significant Financial Interest within sixty (60) days to determine whether an FCOI exists. If an FCOI is identified after such a review, a management plan must be implemented, at least on an interim basis. Regardless of whether such Significant Financial Interest is determined to be a FCOI, the Company must complete a retrospective review of the Investigator's activities related to the ongoing Project to determine if the ongoing Project was biased in its purpose, design, conduct, or reporting. Based on the results of the retrospective review, the Company shall update the previously submitted FCOI report to specify the actions that Company will take to manage the identified FCOI. If bias was found during the retrospective review, the Company shall notify the DOE and submit a mitigation report to describe the impacts of the Project, outlines the Company's plans to eliminate or mitigate the effect of the bias, and includes, at a minimum: (i) the DOE



Award number; (ii) the PI; (iii) the name of the Investigator with the FCOI; (iv) the name of the entity with which the Investigator has a FCOI; (v) the nature of any applicable FCOI and/or external relationships or activities; (vi) the value of any applicable FCOI 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 FCOI related to the Project funded under a DOE Award and the basis for the Company's determination that there is a conflict with such Project; and a description of the key elements of the Company's management plan.

- e. **Elimination of FCOI Prior to Expenditure of DOE-Awarded Funds.** In cases in which the Company identifies a FCOI and eliminates it prior to the expenditure of DOE-awarded funds, the Company is not required to submit a FCOI report to the DOE Program Office.

5. **Public Accessibility to Information Concerning Significant Financial Interests.**

- a. **Public Disclosure.** In accordance with DOE's Interim COI Policy, prior to the Company's expenditure of any funds under a DOE Award, the Company shall ensure public accessibility, via a publicly accessible website or written response to any requestor within five (5) business days of a request, of information concerning any Significant Financial Interest disclosed to the Company that meets the following three criteria: (i) the Significant Financial Interest is still held by the senior/key personnel as defined by this Policy; (ii) the Company determined that the Significant Financial Interest is related to the Project funded under the DOE Award; and (iii) the Company determined that the Significant Financial Interest is a FCOI. The Company shall disclose the following minimum information: (a) Investigator's name; (b) the Investigator's title and role with respect to the Project; (c) the name of the entity in which the Significant Financial Interest is held; (d) the nature of the Significant Financial Interest; and (e) the approximate dollar value of the Significant Financial Interest 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. The website or letter shall note that the information provided is current as of the date listed and is subject to updates at least annually and within sixty (60) days of the Company's identification of a new FCOI.

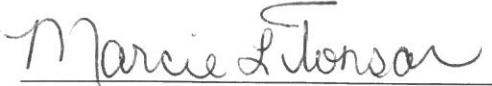
- b. **Updated Information.** Information concerning any Significant Financial Interest that meets the criteria set forth in Section V(A)(5)(a) shall be updated at least annually, and shall be further updated within sixty (60) days of the Company's receipt or identification of information concerning any additional Significant Financial Interest of the senior/key personnel for the Project funded under the DOE Award that was not previously disclosed, or upon the disclosure of a Significant Financial Interest of senior/key personnel new to the Project if the Company determines that the Significant Financial Interest is related to the Project and is a FCOI. The website or letter shall note that the information provided is current as of the date listed and is subject to updates at least annually and within sixty (60) days of the Company's identification of a new FCOI.
- c. **Availability.** This information shall remain available for at least three (3) years from the date that the information was most recently updated.

## **B. Organizational Conflicts of Interest**

To the extent that the Company becomes aware of any potential or actual OCOI, it shall disclose such OCOI in writing to the appropriate DOE Program Office in (a) any application for financial assistance,; or (b) prior to engaging in a procurement or transaction using DOE funds with a parent, affiliate, or subsidiary organization (to the extent one exists in the future). In compliance with DOE's Interim COI Policy, such a disclosure shall include: (i) the name, address, and website (as applicable) of the entity that presents a potential or actual OCOI; (ii) the relationship between the Company 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 the Company's determination regarding the existence of OCOI; and (v) how the Company will avoid, neutralize, or mitigate the OCOI.

The Company recognizes that if the effects of the potential OCOI cannot be avoided, neutralized, or mitigated, it shall procure goods and services from other sources when using DOE funds.

**C. Violations.** Violations of this Policy may result in disciplinary action up to and including termination.

  
Marcie Tonsor, Secretary