



To: Board of Health

From: Anne Marrin, Director of Operations and Planning

Date: January 13, 2025

Re: Conflict of Interest Policy and Disclosure

Effective in 2024, federal OMB Circulars have been updated to reflect changes in Uniform Grant Guidance. As outlined in 2 CFR 200.112, federal awarding agencies are now required to establish policies regarding conflicts of interest for federal awards. Additionally, non-federal entities, including recipients and subrecipients, must disclose any potential conflicts of interest in writing to the awarding agency or pass-through entity, in accordance with the agency's established policies.

Under the Illinois Administrative Code, Section 509.80, the Department mandates that all service providers demonstrate compliance with certain administrative activities, including:

- Specific written policies on conflict of interest, covering staff, administration, and board member disclosures.

As such, State Agency staff and Grantees involved in federal, federal pass-through, and state grants must disclose any actual or apparent conflicts of interest that could compromise the fairness and impartiality of the grant process.

The attached is the MCDH Conflict of Interest Policy and Disclosure Statement as required by federal and state mandates.

**McHENRY COUNTY DEPARTMENT OF HEALTH
ADMINISTRATION DIVISION**

POLICY NAME: Conflict of Interest Policy

POLICY # 1-001.1

EFFECTIVE DATE: 1/1/2025
DATE LAST REVIEWED: New Policy
DATE LAST REVISED:

SUBJECT: Conflict of interest for board members, employees, and volunteers of the Department of Health.

STANDARD: 2 CFR 200, 200.112 and 31; 40 Ill. Administrative Code 7000.40(b)(3), regarding all grantees for Federal, Federal Pass-through and State grants.

POLICY: Conflicts of interest may be actual, potential, or perceived. An actual conflict of interest occurs when a person uses or attempts to use their employment or official position to secure benefits, privileges, exemptions or advantages for self, relatives, or the organization with which the person is associated which are different from those available to the general public. A potential conflict of interest may exist if an employee, volunteer or Board member has relationships, affiliations, or other interests that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests.

PURPOSE: The purpose of this policy is to provide clear guidance to staff, board members and volunteers, helping them understand and adhere to its principles, and safeguard them from actual, potential, or perceived conflicts of interest that could compromise their or the Department's roles and responsibilities and erode public confidence. The policy serves to protect the interests of the McHenry County Department of Health (MCDH) by: (a) ensuring that the personal interests of staff, board members, and volunteers do not interfere with their duties to MCDH, (b) to protect staff from being placed in a position that may have unintentional consequences, and (c) to prevent any unethical financial, professional or political gains for these individuals.

PROCEDURE:

Article I-Persons Concerned

This statement applies to all board members, employees, and volunteers of MCDH.

Article II-Procedures

1. Duty to Disclose

Each board member, employee, and volunteer is under an obligation to disclose the existence or potential existence of a Conflict of Interest as it arises.

2. Investigating Conflicts

When a potential conflict of interest is disclosed, the Public Health Administrator (PHA), will

review each Statement of Disclosure for any set of facts or circumstances that may reflect an actual, potential, or perceived conflict of interest. The PHA will collect additional pertinent information and/or interview involved parties, as necessary, to make a determination. If no conflict exists, the inquiry will be documented but no further action will be taken. When evaluating a particular set of facts and circumstances, the PHA shall consider the following non-exhaustive lists of factors that may indicate a conflict of interest:

- An appearance or expectation of special treatment in MCDH matters;
- Any incident of abuse or misuse of a leadership position for personal or third-party gain or benefit;
- Situations in which a board member, employee, or volunteer may be divided between personal interests or another organization and the best interests of MCDH;
- Business, professional, or other activities that would materially and/or adversely affect MCDH, either directly or indirectly;
- Any arrangement in which a board member, employee, or volunteer or their immediate family provides goods or services to MCDH as a paid vendor;
- Situations in which a board member, employee, volunteer and/or their immediate family member hold an elected or appointed office in Illinois or the Federal government of the United States; hold a seat in the Illinois General Assembly or United States Congress; is an officer or employee of any state or federal board, commission, or holds an elected or appointed position or is employed in any of the offices or agencies of government.

3. Addressing a Conflict of Interest

If the PHA determines that a conflict of interest exists, the PHA will take the appropriate actions to address the conflict. This may include (but not be limited to):

- Waive the conflict of interest as unlikely to affect the employee's or volunteer's ability to act in the best interest of MCDH;
- Determine that the employee or volunteer should be recused from all deliberation and decision making related to the particular transaction or relationship that gives rise to the conflict of interest. This course of action should apply particularly when the transaction or relationship is one which presents a conflict only with respect to one or two discrete programs or activities; or
- Determine that the employee or volunteer must resign or be removed from their services to MCDH. This course of action should apply only when the conflict is so pervasive that the employee or volunteer would seldom, if ever, be able to act solely in the best interests of MCDH.
- The PHA reserves final authority over the resolution of all conflicts of interest involving an employee or volunteer.
- In the case of a board member, the PHA shall report to the County Board Chairman the facts and circumstances surrounding a conflict of interest and the County Board Chairman, with the approval of the County Board, may remove the board member from the Board of Health;

4. Disciplinary Action

Transparency and full disclosure of any actual, potential, or perceived conflicts is essential to

maintain accountability and protect the interests of the Department, board member, employee, and volunteer. Failure to disclose a conflict jeopardizes the integrity of the Department and may result in disciplinary action.

5. Notice of Annual Statements

Every board member, employee, and volunteer must sign a Conflict of Interest Statement of Disclosure Form upon said individual's appointment to the Board of Health, employment, or other relationship with MCDH and must do so annually. Failure to sign does not nullify the policy.

**McHENRY COUNTY DEPARTMENT OF HEALTH
ADMINISTRATION DIVISION**

Conflict of Interest Disclosure Statement

I, _____, hereby acknowledge my responsibility to disclose any actual, potential, or perceived conflicts of interest that may arise during my employment or involvement with McHenry County Department of Health (Department).

In accordance with the Department's Conflict of Interest Policy, I agree to promptly disclose any situations or relationships that could impair, or appear to impair, my ability to perform my duties impartially and in the best interest of the Department. This includes, but is not limited to, financial interests, personal relationships, or outside activities that could influence or appear to influence my decision-making, judgment, or actions in the workplace.

Please check the statement below that best represents you. (If "No" is chosen, please sign and date. If "Yes" is chosen, please complete 1. and 2. below, then sign and date.)

_____ **No**, I have no conflict of interest or disclosure to report.

_____ **Yes**, I have a conflict of interest or disclosure to report.

If yes:

I affirm that, to the best of my knowledge, the following situations represent any actual, potential, or perceived conflicts of interest as of the date of this disclosure:

1. [List of current conflicts, if any]

2. [Any other relevant information or relationships]

I understand that it is my ongoing responsibility to update this disclosure should any new actual, potential, or perceived conflict of interest arise during my time with the Department. I agree to cooperate fully with any review or investigation into disclosed conflicts, and to take appropriate action to resolve or mitigate any identified conflicts as required by the Department.

By signing below, I acknowledge my understanding of the Department's Conflict of Interest Policy and agree to adhering to it.

Name (PRINT): _____

Position/Title: _____

Date: _____

Signature: _____