

H.11 ORGANIZATIONAL CONFLICT OF INTEREST

- a. An organization conflict of interest means that because of other activities or relationships with other persons or entities, a Contractor is unable, or potentially unable to render impartial assistance or advice to the Government, or the Contractor's objectivity in performing the contract work is, or might be otherwise impaired, or the Contractor has an unfair competitive advantage. Organizational Conflict of interest includes situations where the capacity of a Contractor (including the Contractor's executives, directors, consultants, subsidiaries, parent companies or subcontractors) to give impartial, technically sound advice or objective assistance is or may be impaired or may otherwise result in a biased work product because of any past, present or planned interest, financial or otherwise, in organizations regulated by or assisted by DOT or in organizations whose interest may be substantially affected by Departmental activities.
- b. The Contractor is responsible for maintaining and providing up-to-date conflict of interest information to the Contracting Officer. If, after award of this contract or task order, the Contractor discovers a conflict of interest with respect to this contract or task order which could not reasonably have been known prior to award, or if any additional conflicts or potential conflicts arise after award, the Contractor shall give written notice to the Contracting Officer as set forth below.
- c. The Contractor's notice called for in paragraph b. above shall describe the actual, apparent, or potential conflict of interest, the action(s) the Contractor has taken or proposes to take to avoid or mitigate any conflict, and shall set forth any other information which the Contractor believes would be helpful to the Contracting Officer in analyzing the situation.
- d. The Contractor has the responsibility of formulating and forwarding a proposed mitigation plan to the Contracting Officer, for review and consideration. This responsibility arises when the Contractor first learns of an actual, apparent, or potential conflict of interest. Corporate counsel review of the proposed mitigation plan is necessary to ensure a timely review and final determination by the contracting officer.
- e. If the Contracting Officer in his/her discretion determines that the Contractor's actual, apparent, or potential conflict of interest remains, or the measures proposed are insufficient to avoid or mitigate the conflict, the Contracting Officer will direct a course of action to the Contractor designed to avoid, neutralize, or mitigate the conflict of interest. If the parties fail to reach agreement on a course of action,

or if having reached such agreement the Contractor fails to strictly adhere to such agreement during the remaining period of contract performance, the Contracting Officer has the discretion to terminate the contract for default. No determination or decision by the Contracting Officer under this clause shall be reviewable under FAR Clause 52.233-1, "Disputes Clause (JUL 2002)," which is also incorporated by reference herein.

- f. The Contractor's misrepresentation of facts in connection with a conflict of interest reported or a Contractor's failure to disclose a conflict of interest as required shall be a basis for default termination of this contract.
- g. The Contractor is prohibited from submitting qualifications, bids, proposals, offers, solicitations, or similar documents to the Grantee it is supervising during the contract and task order performance periods.
- h. Management of conflicts of interest by the Contractor will be a part of performance evaluations.

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