



**Town of Harrisburg, NC**  
**Vendor Conflict of Interest Policy**  
Adopted 7/8/2019

**Purpose**

The Town must show transparency in its financial transactions and has a responsibility to illustrate to the public that tax dollars are spent in the most conscientious and transparent way. It is important that the Town has no employees or board advisory members with a perceived financial benefit that results from doing business with the Town. The policy contained herein is aimed to avoid any perception of a conflict of interest.

The identification of the relationship and potential conflict of interest by a Town employee or a vendor does not mean that the vendor will automatically be disallowed. All identified potential conflicts of interest will be evaluated by the Finance Department and a decision as to their status as a vendor of the Town will be determined.

**Personnel**

A Town employee, council member, permanent part-time employee, volunteer, recurring or permanent seasonal employees, and advisory board members are all included in the term “employee” for the purposes of this policy.

A relationship to an employee that presents a potential conflict of interest, for the purposes of this policy, is defined to include persons who live in the same household. All family members and those with similar relationships who do not live in the household are permitted to do business with the Town.

**Policy**

The Town should not do business with a vendor who is fully or partially owned by or employs an employee or employee’s household member. This policy applies regardless of the employee or family member’s involvement in the purchase or transaction or their level of involvement or influence over the vendor. The relationship itself is the deciding factor for evaluation of a conflict of interest; no consideration is included for the employee’s physical or direct contact or involvement in the transaction. The method of the purchase (in person, phone, online) has no bearing on the evaluation of the conflict of interest.

Certain circumstances, such as a proprietary purchase which can only be made from a single source, should be presented to the Finance Department for a final determination. A case for the proprietary nature of the purchase and an understanding of the vendor options for the purchase should be presented. For example, if contracting with a third party will ultimately get the same product from the same supplier but at a higher, or marked-up price, the Finance Department should weigh the fiscal responsibility of the Town with a potential conflict of interest situation.

Vendor Conflict of Interest Policy

Page 2

The responsibility to adhere to this policy falls on multiple people. Vendors, via new vendor acceptance procedures or through annual information updates will be required to disclose their knowledge of any Town employee-conflicts of interest. Employees will also be required to disclose, annually, any known vendors that they or any family members work for or have any level of ownership in. The Town will rely on its purchasers to make the best effort to avoid these conflicts when selecting vendors and updates to the allowable vendor list can be made any time given a change in circumstances.

The expectation of the policy is that every best effort will be made by the purchaser to vet its vendors before making a purchase. It is incumbent on the purchaser to notify the Finance Department of a potential conflict of interest to allow Finance to adjust the approved vendor list accordingly. If, conversely, an employee knowingly uses a vendor that should not be on the approved vendor list, appropriate disciplinary action may be taken.

I \_\_\_\_\_ (print name) have read and understand the Vendor Conflict of Interest Policy.

Select one:

I do not have any vendor-relationships, as described in this policy that require disclosure, as of the date of signature below.

I have one or more vendor-relationship, as described in this policy that require disclosure, as of the date of signature below. (list vendors below)

Employee Signature:

Date:

\_\_\_\_\_

\_\_\_\_\_

Vendors with a potential conflict:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_