

# CONFLICT OF INTEREST DISCLOSURE STATEMENT

## FORM COI

DB1601

### Background

The integrated nature of Design-Build creates the potential for conflicts of interest. Disclosure, evaluation, and management of these conflicts and of the appearance of conflicts, require attention to State and federal Laws in the contracting process. The Tennessee Department of Transportation (“TDOT”) has developed *Conflict of Interest Disclose Guidelines* (“COI Disclosure Guidelines”). The COI Disclosure Guidelines are intended to summarize the key governing standards of State and Federal Laws, include definitions of key terms, and describe the COI Disclosure Process.

### Federal Standards

Pursuant to 23 USC 112(b)(3), the Federal Highway Administration (FHWA) has promulgated administrative rules that affect federally-funded Design-Build procurements and related procurements. These rules, which are in 23 Code of Federal Regulations (CFR) Parts 635 and 636, are used as the basis for TDOT’s guidelines on the subject. The main rule on organizational conflicts of interest in Design-Build transactions is 23 CFR § 636.116. This rule affects not only Design-Build procurements, but also “any contract for engineering services, inspection or technical support in the administration of the Design-Build contract.”

These rules specifically regulate both organizational and individual conflicts of interest. The federal rules define “organizational conflict of interest” as follows:

*“Organizational conflict of interest means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the owner, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage.”* (23 CFR § 636.103)

### Organizational Conflict of Interest Policy

TDOT may disqualify the Design-Builder if any of its Major Participants belong to more than one Design-Builder organization. If any Major Participants of different Design-Builder organizations belong to the same parent company, each Design-Builder must describe how the participants have avoided conflicts of interest during the procurement phase of the Project.

The Design-Builder agrees that, if after award, an organizational conflict of interest is discovered, an immediate and full disclosure in writing must be made to TDOT that must include a description of the action that the Design-Builder has taken or proposes to take to avoid or

mitigate such conflicts. If an organizational conflict of interest is determined to exist, TDOT may, at its discretion, cancel the Contract. If the Design-Builder was aware of an organizational conflict of interest prior to the award of the Contract and did not disclose the conflict to TDOT, TDOT may terminate the Contract for default.

**Disclosure Pursuant to Section 636.116(2)(v)**

In the space provided below, and on supplemental sheets as necessary, identify all relevant facts relating to past, present, or planned interest(s) of Design-Builder which may result, or could be viewed as, an organizational conflict of interest in connection with the RFP.

The Design-Builder shall disclose:

- a. any current contractual relationships with TDOT (by identifying TDOT contract number and project manager);
- b. present or planned contractual or employment relationships with any current TDOT employee;
- c. any current relationships between the Major Participants, Key Personnel, Design Professionals, or Subcontractors of the Design-Builder on other TDOT projects; and
- d. any other circumstances that might be considered to create a financial interest in the contract for the Project by any current TDOT employee if the Design-Builder is awarded the contract.

The foregoing is provided by way of example, and shall not constitute a limitation on the disclosure obligations.

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_
- 6. \_\_\_\_\_
- 7. \_\_\_\_\_
- 8. \_\_\_\_\_

**Explanation**

In the space provided below, and on supplemental sheets as necessary, identify steps that have been or will be taken to avoid, neutralize, or mitigate any organizational conflicts of interest described herein.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_

**Certification**

The undersigned hereby certifies that, to the best of his or her knowledge and belief, no interest exists that is required to be disclosed in this Conflict of Interest Disclosure Statement, other than as disclosed above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name