



Community Services Division  
Office of Community Development  
77 South High Street, Columbus Ohio 43215 U.S.A.  
Phone: (614) 466-2285  
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**SUBJECT:** Resolving a Potential Conflict of Interest

**ISSUED:** November 16, 2015

**DISTRIBUTED TO:** Office of Community Development Award Recipients and their Affiliates

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All funds granted by the Ohio Development Services Agency (ODSA) through the Office of Community Development (OCD) are subject to the Ohio ethics laws (ORC Chapter 102) and related statutes\*. In addition, for federal funds granted by ODSA, applicable federal laws or regulations relating to conflicts of interest may also apply.†

Once a potential conflict of interest has been identified, it is the responsibility of the grantee to resolve the potential conflict. Be advised that this process can be extremely lengthy.

**Part A. Potential Conflict of Interest under Ohio law: Ohio Ethics Commission Opinion**

If an unresolved potential conflict of interest exists, the grantee must obtain a formal Advisory Opinion from the Ohio Ethics Commission (OEC). For information about requesting an Advisory Opinion, please refer to the OEC website:

<http://www.ethics.ohio.gov/advice/request.shtml>

If the Advisory Opinion requires the grantee to meet certain conditions in order to resolve the potential conflict, the grantee must provide information and documents to ODSA upon request to demonstrate compliance. If the Advisory Opinion does not provide a way for the grantee to resolve or otherwise clear the potential conflict of interest, ODSA will not enter into or fund any potential grant agreement and may require the amendment or termination of any existing grant agreement under its terms.

**Part B. Potential Conflict of Interest under Federal law: US Department of Housing and Urban Development Opinion**

If an unresolved potential conflict of interest exists with the applicable federal regulation, the grantee may ask ODSA request an exception from the U.S. Department of Housing and Urban Development (HUD) based on the exception conditions outlined in the applicable federal regulation. The steps to submit the exception request are as follows:

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\* See <http://www.ethics.ohio.gov/education/factsheets/ethicslaw.pdf>.

† See U.S. Department of Housing and Urban Development regulations governing conflict of interest: [24 CFR 570.489\(g\)](#); [24 CFR 570.489\(h\)](#); [24 CFR 92.356](#); [24 CFR 576.404](#); and [24 CFR 574.625](#).

1. *The grantee must submit a legal opinion to ODSA justifying the exception based on the factors outlined in the applicable federal regulation. The legal opinion should be sent to your Program Representative. You may also mail a copy to:*

Office of Community Development  
Ohio Development Services Agency  
77 S. High Street, P. O. Box 1001  
Columbus, Ohio 43216-1001  
Attn: Deputy Chief

2. *ODSA will review and determine what, if any, steps can be taken to address the conflict. The steps may include, but are not limited to:*
  - a. submitting an exception request on behalf of the grantee to HUD for evaluation;
  - b. amending the related grant agreement; or
  - c. terminating the related grant agreement.

Please direct any questions about this policy to your OCD Program Representative.

***As a result of the number of parties involved in this process, there is no guaranteed timeframe for determination.***