

EASTERN WASHINGTON PARTNERSHIP

WORKFORCE DEVELOPMENT COUNCIL

956 S. Main • Colville WA 99114 • (509) 684-8421 • Fax (509) 685-6094

<http://www.ewpartnership.org>

Serving the Counties of

Asotin • Columbia • Ferry • Garfield • Lincoln • Pend Oreille • Stevens • Walla Walla • Whitman

WDC Policy #: 101
Effective Date: 7/1/00
Revision #: 5
Revision Date: 1/30/17
SUBJECT Conflict of Interest/Code of Conduct

PURPOSE

This policy addresses conflicts of interest, appearances of conflicts of interest, nepotism, and gratuities and governs the activities of Workforce Development Council (WDC) members and Youth Council members as well as employees, agents, and officers of Workforce Innovation and Opportunity Act (WIOA) recipients and sub-recipients. This policy is intended to assure compliance with State WIOA Policy No. 5405.

POLICY

This Conflict of Interest policy requires the following:

- I. Each grant recipient and subrecipient must maintain a written code of standards or conduct governing the performance of persons engaged in the award and administration of WIOA contracts and subgrants.

Each grant recipient and subrecipient must ensure that no individual in a decision-making capacity engages in any activity if a conflict of interest (real, implied, apparent, or potential) is involved. This includes decisions involving the selection and award of a subgrant or contract supported by WIOA funds.

A WDC member or a member of an WDC standing committee cannot cast a vote or participate in any decision-making about the provision of WIOA services by such member, by any organization that member directly represents or by a member of that member's immediate family.

A WDC member or a member of a WDC standing committee cannot cast a vote or participate in any decision-making on any matter that would provide any direct financial benefit to the member, to the member's organization or to the member's immediate family.

WDC officers, employees, or agents of the agencies and members of the WDC standing committee making awards cannot solicit or accept gratuities, favors, or anything of monetary value from awardees, potential awardees, or other parties to agreements.

The recipient or subrecipient code of conduct must contain penalties, sanctions, or other disciplinary actions in accordance with state and local law for violations of the provisions about conflict of interest.

Any organization that has been selected or otherwise designated to perform more than one function related to WIOA must develop a written plan that clarifies how the organization will carry out its multiple responsibilities while demonstrating compliance with WIOA, corresponding regulations, relevant Office of Management and Budget circulars, and this conflict of interest policy. This plan must limit conflict of interest or the appearance of conflict of interest, minimize fiscal risk, and develop appropriate firewalls within that single entity performing multiple functions. The plan must be agreed to by both the WDC and local Chief Elected Official.

One-Stop operators must disclose any potential conflicts of interest arising from relationships with training providers and other service providers. The one-stop operator will describe how the entity will limit any conflict of interest or the appearance of such in the One-stop Operator agreement it reaches with the WDC and the local Chief Elected Official.

Any organization that has a parent, affiliate, or subsidiary organization that is not a state, local government or Indian Tribe, must maintain written standards of conduct covering “organizational conflicts of interest”.

Membership on the WDC, or being a recipient of WIOA funds to provide career services, training services or other services, is not by itself a violation of conflict of interest provisions of WIOA or corresponding regulations.

An individual who believes that he/she may have a conflict of interest, or an appearance thereof, must announce this fact to the WDC prior to any discussion on the matter of interest. The member must excuse him/herself prior to the decision-making portion of the discussion and must refrain from casting any vote on the matter in question. The decision making-process has started once a motion is made and seconded. In the case of WDC reviews of proposals, the affected member may only participate in any presentation, discussion, or response to questions regarding the proposal to the extent that competing bidders are afforded the same opportunity.

- II. Misuse of Information. Members of the WDC shall not use for their own private gain, for the gain of others, or for other than officially designated purposes, any information obtained as a result of their council membership and not available to the public at large, or divulge such information in advance of the time prescribed for its authorized release.
- III. Misuse of WDC Facilities and Equipment. Members of the WDC shall not use any council equipment, supplies, or property for their own private gain, for the gain of others, or for other than officially designated purposes.
- IV. Violations of the Conflict of Interest Policy. If the WDC believes that this policy has been violated, a recommendation may be made to the Regional Board that the individual who has violated the policy be removed as a member. Even if no recommendation is made for removal, the Regional Board may remove a member of the WDC for a violation of this policy.
- V. Conflict of Interest Restrictions for Contractors and Subcontractors. No employee, officer, or agent of the contractors or subcontractors shall participate in the selection or award of a contract supported by WIOA funds if a conflict of interest, real or apparent, would occur. Such a conflict would occur when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs, or is about to employ any of the above, has a financial or other interest in the firm selected for award. Neither membership on the WDC nor the receipt of WIOA funds to

provide training and related services shall be construed, by itself, to violate provisions of the Act or Regulations.

- VI. Nepotism. No individual may be placed in a WIOA employment activity if a member of that individual's immediate family is directly supervised by or directly supervises that individual.
- VII. Gifts, Favors, and Gratuities. No member of the WDC, or employee, officer, or agent of any contractor or subcontractor under WIOA shall solicit or accept gratuities, favors, or anything of monetary value from contractors, potential contractors or parties to subcontracts. This prohibition shall not apply to unsolicited trivial benefits, not to exceed a value of fifty dollars (\$50.00), that are incidental to personal, professional, or business contacts and that do not involve a substantial risk of undermining official impartiality.
- VIII. Monitoring. Through the WDC's monitoring system, program monitors will review the area's documentation of disclosing whether or not a relationship exists that is covered by this policy as well as the required list of all participants who have disclosed that a close relationship exists during the annual onsite monitoring review for compliance with federal and state laws and regulations. Any issues will be handled through the monitoring resolution process.

DEFINITION

Conflict of interest – Conflict between the official responsibilities and the private interests of a person or entity that is in a position of trust. A conflict of interest would arise when an individual or organization has a financial or other interest in or participates in the selection or award of funding for an organization. Financial or other interest can be established either through ownership or employment.

Individual – (1) an individual; i.e., employee, officer, or agent, or (2) any member of the individual's immediate family (spouse, partner, child, or sibling), or (3) the individual's business partner.

Organization – A for-profit or not-for-profit entity that employs, or has offered a job to, an individual defined above. An entity can be a partnership, association, trust, estate, joint stock company, insurance company, or corporation, whether domestic or foreign, or a sole proprietor.

REFERENCES

Public Law 113-128 Section 107(h) – Local Board Conflict of Interest

Public Law 113-128 Section 121 (d)(4) – One-Stop Operators

20 CFR 697.430 – Entities performing multiple functions

20 CFR 679.41 (a)(3) and (c) – Local board must avoid inherent conflict of interest.

20 CFR 683.200 (c)(5) – Administrative Rules, Costs, Limitations – Title I WIOA and Wagner-Peyser

RCW 42.20.080 – Other Violations by officers

RCW 42.52.160 – Use of persons, money or property for private gain