

# Conflict of Interest Policy

Effective Date: 10/01/2018

Duration: Indefinite



## BACKGROUND:

The Workforce Innovation and Opportunity Act (WIOA), Section 107(h) identifies the requirement of information to prevent a Conflict of Interest for Local Board Members. WIOA Section 121 (d)(4) identifies the requirement of information to prevent a Conflict of Interest for One Stop Operators and other service providers.

Workforce Services Guidance – Conflict of Interest requires a policy outlining the process that assures individual interest of CLEO, Local Workforce Development Board (LWDB) Members, LWDB Sub-Committee Members, WIOA Titles I, II, III, and IV Staff, WIOA Sub-Recipients and Sub-Contractors do not conflict or give the appearance of conflicting with their duties while serving in their respective positions.

## REFERENCES:

Title 1 of the Workforce Innovation and Opportunity Act (WIOA) of 2014, Pub. L. 113-128; WIOA Section 107(3)(A)(i); 20 CFR Part 683.400(x); 20 CFR Part 679.430; 20 CFR 679.410(a)(3) and 20 CFR 679.410(c); 20 CFR 684.630(b)-(c); 29 CFR 97.36(b)(3); 20 CFR 683.200(c)(5)(i-iii) refers to 2 CFR 200.318

## PURPOSE:

This policy is to ensure that individuals or representatives of organizations entrusted with public funds will not personally or professionally benefit from a service that would provide financial benefit to such member or the immediate family of such member. This policy will provide guidance for sub-recipients, sub-contractors, staff, LWDB members and LWDB sub-Committee members, to prevent actual, potential or questionable conflicts of interest.

### I. Requirement

#### a. Administrative

Each grant recipient and sub-recipient must abide by a written code of standards governing the performance of those engaging in the awarding and administration of WIOA contracts and sub-grants.

Each grant recipient and sub-recipient must ensure that no individual engages in any activity if a conflict of interest is involved whether perceived or actual. This includes decision making that involves the selection, awarding, or administration of a grant, sub-grant or contract supported by WIOA funds.

Conflict of Interest training will be provided to LEO's, members of the NETLWDB, sub-Committee members, staff of grant recipient/fiscal agent, AJC staff, WIOA sub-recipients and member of any Ad-Hoc Committee, as determined.

#### b. Program

The WIOA program is not an entitlement program. Program benefits should be accessible to any individual, in the local area, who is eligible and suitable for available services subject to the NETLWDB policies and procedures. However, when applicants have a close relationship with WIOA staff members and other specific stakeholders of the Workforce Development System, access to program services should not be based on such relationships or political influence.

## **II. Northeast Tennessee Local Workforce Development Board**

Members of the NETLWDB and members of the NETLWDB sub-Committees (standard and ad-hoc) will meet the following requirements:

### **a. Voting**

Members may not vote or participate in any decision making about providing services by such member (or by any organization that member directly represents) or on any matter that would provide any direct financial benefit to the member, the member's immediate family or the member's organization.

### **b. Disclosure**

1. Prior to NETLWDB and NETLWDB Committee membership, members are to provide the NETLWDB Chairperson a written declaration of all substantial business interest or relationships such Board or Committee member, or their immediate families, have with all businesses or organizations that have received or are likely to receive contracts or funding from the NETLWDB.
2. Before any public discussions regarding the release of a Request for Proposal, or any special program funding or the provision of services, NETLWDB members or NETLWDB Committee members must disclose any real, implied, apparent or potential conflicts of interest before engaging in the discussion. The minutes of the meeting should reflect the disclosure.
3. NETLWDB members and NETLWDB Committee members making awards, cannot solicit or accept gratuities, favors, or anything of monetary value from awardees, potential awardees, or other parties to agreements.

### **c. Duties**

1. Recuse themselves from their official Board duties if they are involved in a conflict of interest.
2. Advise the Board of any potential conflicts of interest.
3. Ask the Board for an opinion if there are any doubts whether or not specific situations involve a conflict of interest.
4. Appoint an individual to review the disclosure information in a timely manner and to advise the NETLWDB Chair and appropriate members of potential conflicts.
5. Ensure that NETLWDB sub-recipients make this information available to appropriate staff members to make certain that these staff members are familiar with it and its requirements in order to prepare state or local plans and the conflict of interest policy.
6. Ensure that the NETLWDB members and NETLWDB Committee members or its administrative staff members do not directly control the daily activities of its workforce service providers, its workforce system partners or its contractors.

## **III. Providing WIOA Services to Participants**

a. Program Integrity

Any WIOA form related to applicant eligibility and grants or confers a benefit (training, gas card, tools, etc.) to an applicant includes a uniformed disclosure statement that the staff member making the determination and signing the form is not related to the applicant or a close personal acquaintance of the applicant.

Documentation of such disclosures, including the name of the person providing intake and eligibility determination and including the nature of the relationship, must be maintained in the participant's file. When such a relationship exists, it must be disclosed at the time of application to the program.

No workforce staff or member will have a personal or business relationship with, or a positive bias for, or a special interest in, that particular applicant. Such workforce staff and members include:

- Chief Local Elected Officials
- Local NETLWDB Members
- Local NETLWDB Sub-Committee Members (standing and Ad-Hoc)
- WIOA Executive Staff and Supervisors
- WIOA Employees
- Job Center Partner Staff
- WIOA Sub-Recipients and/or Contractors
- NETLWDB Staff

**IV. Documentation and Tracking**

The NETLWDB, its sub-recipients and contractors must provide a list of workforce entities who have disclosed any of these close relationship to WIOA staff, to management, or to other specific stakeholders of the workforce development system. This list shall be provided to the Program Accountability Review Team (PAR) program monitors at the onset of all monitoring visits.

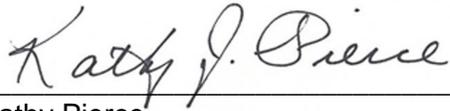
**V. Monitoring for Compliance**

The NETLWDB will provide training concerning internal conflicts of interest and must document proof of training and make that documentation available for review and audit purposes. This training will involve any of the entities mentioned who will directly be involved with making assessments and determining the eligibility of participants. The NETLWDB will ensure that all new staff, Board members, subrecipients and providers are informed about this policy.

**CONTACT:** Questions concerning the above may be addressed to Kathy Pierce, Executive Director of the NETLWDB at [kpierce@ab-t.org](mailto:kpierce@ab-t.org).

This policy will remain in effect until amended, modified, or set aside by the Northeast Tennessee Local Workforce Development Board.

APPROVED:



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Kathy Pierce  
NETLWDB Executive Director



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Jay Richardson  
NETLWDB Chair