

I. Purpose

To ensure that individuals or representatives of organizations entrusted with public funds will not personally or professionally benefit from the award or expenditure of such funds. This policy is established to provide direction for subrecipients, contractors, staff, and board members of the Southeast Tennessee Workforce Development Board in order that business can be conducted within guidelines that will prevent actual, potential, or questionable conflicts of interest.

II. Background

A conflict of interest situation arises when an individual or organization has a financial or other personal interest in, and participates in, the selection of awarding of funds for an organization. One of the key responsibilities of the Southeast Tennessee Local Workforce Development Board (STLWDB) is to ensure that individuals or representatives of organizations entrusted with public funds will not personally or professionally benefit from such awards, administration, or expenditures of such funds. Safeguards must be in place ensuring that all those served in the program are not only eligible and suitable but also protected from being part of the perception of impropriety or conflict of interest. Chief Local Elected Officials, STLWDB, designated fiscal agents, and administrative officials must help meet the objectives of WIOA through effective policies, procedures, and safeguards that ensure the integrity of these public funds.

III. Instructions

At a minimum, this policy contains the following requirements:

- Each grant recipient and subrecipient must abide by a written code of standards governing the performance of those engaging in the awarding and administration of WIOA contracts and subgrants. 20 CFR 683.200(c)(5)(i-iii) refers to 2 CFR 200.318.
- Each grant recipient and subrecipient must ensure that no individual, in a decision-making capacity, engages in any activity if a conflict of interest is involved even in the perception of impropriety or conflict of interest. This includes decision-making that involves the selection, awarding, or administering of a grant, sub-grant or contract supported by WIOA funds.

Providing Services to Participants Funded under the WIOA Program:

The WIOA program is not an entitlement program; however, it should be accessible to any individual who is eligible and suitable for available services subject to the policies and procedures set forth by the board. However, when applicants have a close relationship with the STLWDA staff members, management, and other specific stakeholders of the Workforce Development System, access to program services should not be based on such relationships or based on political influence. It is possible that even without any intention to misuse WIOA funds, that a decision to enroll an individual in the program could be perceived as improper. Such a perception could cause noncompliance with state and/or federal law.

General authorization for providing funds to participants will comply with the standards of conduct for maintaining the integrity of the program and avoiding any conflict of interest in its administration.

Staff Disclosure

The Southeast Tennessee Workforce Development Board requires the WDB Conflict of Interest Disclosure be signed by all existing employees of the Board and/or sub-recipients upon approval of this policy and all entities agree to include the WDB Conflict of Interest Disclosure as a part of the new hire orientation. The disclosure will document any known relationship with the entities described below:

- Chief Local Elected Officials
- Local Workforce Development Board Members
- Local Workforce Development Board Subcommittee Members
- WIOA Executive Staff and Supervisors
- WIOA Employees
- Job Center Partner Staff
- WIOA Subrecipients and/or Contractors

An electronic copy of any documented disclosure must be submitted the LWDB Staff/Quality Assurance Department to be provided to any local, state, or federal monitoring entity, and the disclosure will become a part of the ongoing monitoring plan for STLWDA.

Customer Intake

As part of the intake packet, The Southeast Tennessee Workforce Development Board requires each customer to sign the WIOA Customer Conflict of Interest Disclosure document to record the disclosure of any known relationship with the entities listed below during the enrollment process and prior to receiving any funding from WIOA. Those entities include, but are not limited to:

- Chief Local Elected Officials
- Local Workforce Development Board Members
- Local Workforce Development Board Subcommittee Members
- WIOA Executive Staff and Supervisors
- WIOA Employees
- Job Center Partner Staff
- WIOA Subrecipients and/or Contractors

Any disclosure must be submitted to a member of the provider's management team for approval. Each provider must maintain a list of disclosed conflicts of interest on file for presentation to any local, state, or federal monitoring entity and submit an electronic copy of the approval to the LWDB Staff/Quality Assurance Department with an accompanying electronic statement that documents the internal controls that will be implemented to manage the individual's case to avoid a conflict of interest. This process will become a part of the ongoing monitoring plan for STLWDA. If further guidance is needed the manager should contact the LWDB Staff/Quality Assurance Department for further clarification.

Local Workforce Development Board

The Southeast Tennessee Workforce Development Board and Youth Committee shall, at a minimum, meet the following requirements and shall complete the Conflict of Interest Disclosure Statement prior to nomination to the board.

1. Voting on Matters under Consider by the Local Board

- A Board Member may not cast votes or participate in any decision making about providing services by such member (or by any organization with that member directly represents).

This includes:

- Regarding any provision of services by such member (or by an entity that such member represents); or
- Any action which gives direct financial benefit to such member or to the immediate family of such member or any organization the member is or a member represents.

2. Engaging in other activities that might pose a conflict of interest

- A Board Member may not cast votes or participate in any decision-making on any matter that would provide any direct financial benefit to that member or to that member's organization.

Duties of Southeast Tennessee Workforce Development Board Members:

- Recuse themselves from their official board duties if they are involved in a conflict of interest
- Advise the board of any potential conflicts of interest
- Ask the board for an opinion if there are any doubts whether or not specific situations involve a conflict of interest
- Provide the local board chairperson with a written declaration of all substantial business interests or relationships such board members, or their immediate families, have with all businesses or organizations that have received, currently receive, or are likely to receive contracts or funding from the local board. Such provisions should be made to the local board prior to the member's taking office.
- Appoint an individual to review the disclosure information in a timely manner and to advise the local board chairperson and appropriate members of potential conflicts.
- Ensure members disclose the nature and extent of the interest or relationships and abstain from discussions and voting on such matters. This should be done prior to discussions, votes, or decisions on any matters before a local board. If such members, or persons in the immediate family of such members, have substantial interests in or relationships to business entities, organizations, or properties that would be affected by any official local board action. All such abstentions must be recorded.
- Ensure that the Southeast Tennessee Workforce Development Board and its contractors 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.
- Ensure that the Southeast Tennessee Workforce Development Board and its members, or its administrative staff members do not directly control the daily activities of its workforce service providers, its workforce system partners, or its contractor

Monitoring and Compliance

The Quality Assurance Department of the Local Workforce Development Board Staff will provide, at a minimum, annual training to all staff, and LWDB Members that are directly involved with making decisions related to the activities associated with service delivery and/or funding in STLWDA.

Penalty

If any entities mentioned in this policy are not in compliance with this conflict of interest policy, any payments due may be held pending correction of the deficiencies.

AUTHORIZED BY:



Michele Holt, Director, Workforce Development



Date

APPROVED BY:



Tony Cates, Chair, Workforce Development Board



Date

Conflict of Interest Policy; Effective 3.14.18, Revised 9.12.18