



<b>Workforce Innovation and Opportunity Act (WIOA) Title I Policy</b>		
Subject: <b>Conflict of Interest</b>		
Number/Reference: <b>107(h)</b>	Effective Date: <b>3/16/2016</b>	Revision # <b>Original</b>

**Overview**

This policy sets out the State’s commitment to ensure system integrity and effective oversight of the workforce system in order to comply with federal laws, regulations, and guidance, and state laws.

The State of Oregon recognizes that, due to their composition, conflicts of interest and issues concerning the appearance of fairness may arise for members of Local Workforce Development Boards (LWDBs), and other individuals, including elected officials and consortia members, who have oversight of, or involvement with, contracts and budgetary matters. Therefore, it is essential for all workforce development boards and individuals described herein to be sensitive and err on the side of caution when real, potential, and/or perceived “conflict” or “fairness” matters occur.

Often, workforce board members are selected because of their expertise and involvement in training, employment, and job creation. They should have maximum freedom to share their talent, knowledge, and experience, but within the scope of fairness.

Workforce board members are also community leaders. Many of them are active in their communities in various capacities, including other boards and committees or local government. Being an active leader in multiple roles can create both actual and perceived conflicts of interest. These can, and regularly do, occur through membership, employment, family, or business connections – even if the board member or individual involved is not paid or receives any tangible reimbursement or benefit due to his/her role(s) or involvement.

This policy applies to all members of board subcommittees, workgroups, consortia, etc., regardless of whether or not the individual is board member. All partners at all levels of participation in the workforce system funded by the Workforce Innovation and Opportunity Act (WIOA) are expected to comply with conflict of interest standards.

**Policy Statement**

Members of LWDBs, standing committees, board subcommittees or workgroups, etc., may not

- (1) vote on a matter under consideration by the local board –
  - (A) regarding the procurement or provision of services by such member, or by an entity that such member represents or is affiliated with; or
  - (B) that would provide direct or perceived financial benefit to such member or the immediate family of such member; or
- (2) engage in any other activity determined by the Governor to constitute a conflict of interest.
  - Other activities include, but are not limited to:
    - (A) soliciting or accepting gratuities, favors, or anything of monetary value from awardees, potential awardees, or other parties to agreements; or

(3) vote on, or contribute to, any part of an evaluation process (developing criteria, scoring, reviewing or submitting a response) regarding any procurement matter under consideration by the local board in which they, or an entity they are affiliated with, have a conflict of interest.

**Examples:**

Scenarios/examples that this policy applies to include, but are not limited to:

- An individual sitting on the board of a service provider is also a voting member of an LWDB. The next LWDB meeting has on its agenda a discussion regarding five training providers applying for the eligible training provider list (ETPL). Three of those training providers offer programs of the service provider in the local area. This is an *actual conflict*. This voting member of the LWDB must disclose the conflict and abstain from any involvement, discussion, and vote regarding the consideration of these training providers for the ETPL.
  
- A community agency responds to an LWDB competitive procurement process. One of the LWDB members is connected to the agency through employment or board involvement, but not within the scope of the service being offered. If this is not an *actual conflict*, it is certainly an *apparent (or perceived) conflict*, whereby an agency that the LWDB member is affiliated with can benefit from the influence of this individual. The LWDB member should disclose the conflict and abstain from any involvement, discussion, and vote. If the conflict is not disclosed, or the individual with the conflict does not abstain, any decision that the LWDB makes can be perceived by the community to have been misleading, raising questions as to the fairness of the process, and potentially leaving the LWDB vulnerable to a formal appeal.

Additionally, each LWDB must have a conflict of interest policy that, at a minimum, addresses the following requirements:

- An LWDB member or a member of an LWDB committee, group, or consortium cannot cast a vote or participate in any discussion about, the provision of services by such member, or by any organization that member directly represents.
  
- An LWDB member or a member of an LWDB committee, group, or consortium cannot cast a vote on any matter that would provide any real or perceived financial benefit to the member or to the member’s organization.
  
- No LWDB officers, employees, or agents of the agencies and members of the LWDB committee, group, or consortium making awards can solicit or accept gratuities, favors, or anything of monetary value from awardees, potential awardees, or other parties to agreements.

**Action(s)**

Local Workforce Development Boards must create written policies that adhere to the standards in this document.

LWDBs are encouraged to create a written “Code of Conduct” – which may be combined with their Conflict of Interest policy(ies) or a separate document. The code of conduct should contain penalties, sanctions, or other disciplinary actions in accordance with state and local law for violations of the provisions regarding conflict of interest.

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(signature)

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(title)

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(date)