

ADMINISTRATION	Conflict of Interest
Classification:	Other
Date Adopted:	11/18/15 MODIFIED: 01/25/18
Background:	To assure that the individual interests of CLEO's, Smoky Mountains Area Workforce Board (herein referred to as the "board") members; Youth Services Committee members; Workforce Innovation and Opportunity Act Staff (herein referred to as "staff"); Board Subcommittee members, WIOA Titles I, II, III, and IV Staff; WIOA Subrecipients and contractors do not conflict, or give the appearance of conflicting with, their duties while serving in their respective positions.
Policy:	<p style="text-align: center;">Smoky Mountains Area Workforce Development Board Local Area 2 CONFLICT OF INTEREST POLICY</p> <p>I. <u>Purpose.</u> To assure that the individual interests of CLEO's, Smoky Mountains Area Workforce Board members; Youth Services Committee members; staff; Board Subcommittee members; WIOA Titles I, II, III, and IV Staff; Subrecipients and contractors do not conflict, or give the appearance of conflicting with, their duties while serving in their respective positions.</p> <p>II. <u>Definitions.</u></p> <p>A) <u>Conflict of Interest.</u> A circumstance in which the interest of a Board member; Youth Services Committee member; staff member; subcommittee member; Title I, II, III, and IV staff member; subrecipient or contractor impairs, or gives the appearance of impairing his or her ability to make unbiased decisions or provide unbiased public services. Also, any matter before the governing body in which a member has a financial or personal interest, which is in conflict, or gives the appearance of conflict, with the discharge of the member's duties.</p> <p>B) <u>Financial interest</u> is defined as:</p> <ul style="list-style-type: none"> • ownership of five percent (5%) or more of the stock of a corporation or any other business entity that has, or may receive, funding under the Workforce Innovation and Opportunity Act of 2014, or • legal or beneficial ownership of five percent (5%) or more of a business that has, or may receive, funding under the Workforce Innovation and Opportunity Act of 2014 (herein referred to as "WIOA"). <p>This applies to the Board member; Youth Services Committee member; staff member; subcommittee member; Title I, II, III, and IV staff member; subrecipient; contractor; or their spouses; parents; siblings; children or other relatives living in their home.</p>

- C) Personal interest includes any other type of monetary or nonmonetary benefit to a member of the Board; Youth Services Committee member; staff; subcommittee; Title I, II, III, and IV staff; a subrecipient or a contractor.

III. Conduct.

- A) Members of the Board; Youth Services Committee; staff; subcommittee; Title I, II, III, and IV staff; subrecipient or contractor shall not engage in conduct that impairs, or gives the appearance of impairing, the member's ability to make an unbiased decision or provide unbiased public service.
- B) Members of the Board; Youth Services Committee; staff; subcommittee; Title I, II, III, and IV staff; subrecipient or contractor shall not knowingly take any action which might prejudice their ability, or another member's ability, to make an unbiased decision on any matter in which the member or the member's relatives have a financial or personal interest.
- C) Members of the Board shall abstain from voting on any matter involving a person or entity in which the member or the member's relatives have a financial or personal interest by recusing themselves from voting.
- D) A Board member who is employed by, or has contracted to provide services to a person or entity seeking specific approval or action, shall abstain from voting on the approval or action.
- E) A Board member shall not participate as an expert witness in a contested case before the board.
- F) A Board member shall not solicit or accept any gift, gratuity, favor, entertainment, loan, or unusual discount from any person or entity, which has obtained or is seeking to obtain a decision on any matter from the board. This prohibition does not include food or drink or other entertainment as part of a meal or event if the value of such items does not exceed fifty-eight dollars (\$58.00) per occasion; nor does it include items of insignificant value routinely given in the ordinary course of business. Staff shall abide by the policies of the Tennessee Board of Regents and Walters State Community College.
- G) A Board member; Youth Services Committee member; staff member; subcommittee member; Title I, II, III, and IV staff member; subrecipient or contractor shall not accept honoraria or other compensation for activities, which are, or should be, performed as part of one's official duties. A request for an exception for a board or Youth Services Committee member may be submitted to the board chair, who will consult with the Executive Committee before making a decision on the request.

IV. Disclosure.

- A) All Board members; Youth Services Committee members; staff members; subcommittee members; Title I, II, III, and IV staff members; subrecipients or contractors shall annually review the Conflict of Interest Policy, and submit their Conflict of Interest Policy Acknowledgment forms and Conflict of Interest Disclosure forms to the board chair. These forms shall be maintained by the staff and available for public review.
- B) Prior to the transaction of business by the Board, Board committee or Youth Services Committee, all members shall be reminded that disclosure of their financial or personal interests is required in accordance with this policy.
- C) Any Board or Youth Services Committee member, upon determining that a matter taken up by a board or committee presents a conflict of interest under this policy shall immediately notify the presiding officer and publicly acknowledge such conflict. Staff shall remind the presiding officer of any actual or potential conflict of interest, if known, before the board or committee acts.
- D) All members of the Board; Youth Services Committee; staff; subcommittee; Title I, II, III, and IV staff; a subrecipient or a contractor shall make every reasonable effort to avoid even the appearance of a conflict of interest.
- E) The vote of any member or the board or Youth Services Committee having a conflict of interest who does not inform the board or committee of such conflict may be void if challenged. When a challenge is made, the board or committee shall investigate the matter, determine whether or not a conflict exists, and decide by majority whether a vote must be voided and, if needed, retaken.

V. Program Integrity

- A) LWDA2 will establish a disclosure statement on the eligibility or intake form or a document showing that any of the following entities of the Workforce Development system will not provide direct service during the intake or eligibility determination of a family member or close acquaintance. 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 members are:
 - 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

In such cases that applicants are family members or acquaintances of the Specialist documenting eligibility, a specialist from another office will take the application and act as case manager. The One Stop Operator shall keep a record of all family members served.

- B) Any WIOA form that determines applicant eligibility and grants or confers a benefit (training, gas card, money etc.) to an applicant shall include a uniformed disclosure stating the staff member making determination and signing the form is not related to the applicant or a close personal acquaintance of the applicant.
- C) Documentation of disclosures, including the name of the person providing intake and eligibility determination and including the nature of the relationship, shall be maintained in the participant's file. When such a relationship exists, it will be disclosed at the time of application to the program.

VI. Monitoring for Compliance

LWDA2 shall provide training concerning internal conflicts of interest, document proof of training and make certain that documentation is available for review and audit purposes. This training will include any of the entities that will directly be involved with making assessments and determining the eligibility of participants. LWDA2 shall ensure that all new staff members and providers are informed about this policy.