



**Crater Regional Workforce Development Board**

<b>Title: Conflict of Interest Policy</b>	<b>Policy #: 2023-02-01</b>
<b>Replaces: Conflict of Interest Policy (2018-22)</b>	<b>Effective Date: 2-03-2023</b>

**References**

- 2 CFR 200.318(c)(1)
- 2 CFR 200.112
- Virginia Board of Workforce Development Policy 200-02

**Background and Purpose**

This procedure defines the provisions of conflict of interest related to operations of the Crater Regional Workforce Development Board (CRWDB) as well as all sub-grantees, sub-recipients, and contractors of the CRWDB, and outlines the policy regarding conflict of interest to maintain the integrity of CRWDB programming.

**Policy**

A conflict of interest exists when a CRWDB member or employee:

- Acting in his/her official CRWDB capacity knows that he/she, spouse, parent, sibling or child has a financial interest that could be substantially affected by the outcome of the decision or vote in question.
- Has reason to believe that a possible outcome of a decision or vote is likely to be directly adverse or favorable to the interest of his/her employer or client, or other party involved with the professional activities of that CRWDB member.
- Has a personal bias, prejudice, or interest such that he/she believes that he/she cannot make an unbiased decision in the best interests of the CRWDB.

The CRWDB and its employees’ have a responsibility to maintain the integrity of the expenditure of public funds and to avoid any favoritism, questionable, or improper conduct. All funding received by the CRWDB will be awarded in an impartial manner, free from personal, financial, or political gain. All CRWDB members and CRWDB employees will avoid situations which give rise to a suggestion that any decision was influenced by prejudice, bias, special interest, and/or personal gain.

All members of the CRWDB serve a public interest and trust role and have a clear obligation to conduct all affairs in a manner consistent with this concept. All decisions of the CRWDB are to be based on promoting the best interest of the state and the public good.

- A member of the CRWDB shall neither cast a vote on, nor participate in, any decision-making capacity on the provision of services by such member (or by an organization that such member directly represents); nor on any matter that would

provide any direct benefit to such member or the immediate family\* of such member.

- Any CRWDB member or employee (or specific entity represented by that member) who participates in the development of contract specifications or standards is prohibited from receiving any direct financial benefit from any resulting contract.
- Any CRWDB member who participates in a CRWDB decision relating to specific terms of a contract, the determination of specific standards for performance of a contract, the development of Invitations to Bid or Requests for Proposals or other such bid processes leading to a contract, or any similar decisions is prohibited from receiving any direct financial benefit from any resulting contract. In addition, no corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, trust, foundation, or other entity shall receive the contract if it would create a conflict of interest for the CRWDB member who participated in this manner.
- Any CRWDB member with a potential or actual conflict of interest shall disclose that fact to the CRWDB as soon as the potential conflict of interest is discovered and, to the extent possible, before the agenda for the meeting involving the matter at issue is prepared. If it is determined during a meeting that a conflict of interest exists, the member must verbally declare such conflict of interest, such declaration must be clearly noted in the minutes, and such members must excuse himself/herself from the remainder of the discussion and voting on that item. Each CRWDB member is responsible for determining whether any potential or actual conflict of interest exists or arises during his/her tenure on the CRWDB.
- If a contract or purchase is made by the CRWDB involving its own member with a conflict of interest, the CRWDB shall justify the terms and conditions of the contract or purchase and document that the contract or purchase was adequately bid or negotiated and that the terms of the contract or price of the purchase are fair and reasonable.
- CRWDB members who may also serve as One Stop Operators shall not serve on any committees or taskforces that deal with the oversight of the One Stop system or allocation of resources that would potentially be allocated to that member's program.

No individual in a decision-making capacity shall engage in any activity if a conflict of interest (real, implied, apparent, or potential) is involved. This includes decisions involving the selection, award, or administrative of a sub-grant or contract supported with CRWDB funds.

One Stop Operators must disclose any potential conflicts of interest arising from relationships with training providers and/or other service providers.

Immediate family of CRWDB employees will not receive favorable treatment for enrollment in programs, the provision of services, and/or employment with the CRWDB or a CRWDB sub-grantee, sub-recipient, and/or contractor.

CRWDB employees will also not enter into any agreements for services with immediate family without prior approval. If it is in the public interest for employees to conduct business (only for the purpose of services to be provided) with an immediate family member, the CRWDB

employee(s) must obtain approval from the full CRWDB and/or Chief Local Elected Officials (CLEO) Consortium (if the service is funded through the Workforce Innovation and Opportunity Act (WIOA) Title I) before entering an agreement. All correspondence will be kept on file and available for monitoring and audit reviews.

Any contract, transaction, or business conducted by employees in violation of this policy or related applicable federal and/or state law and regulation is subject to dismissal by the CRWDB, in addition to any other fines. In the event a contract or transaction is rescinded or invalidated, compensation or payment due to the CRWDB and/or the Contractor shall be determined in accordance with applicable law.

All CRWDB employees, CRWDB members, and all staff to sub-grantees, sub-recipients, and/or contractors will complete the CRWDB Conflict of Interest form annually. All forms will be kept on file at the CRWDB office and retained for a period of five (5) years.

*\*Immediate Family means (1) a spouse or (2) any other person residing in the same household who is a dependent of the member or of whom the member is a dependent.*

*Dependent means any person, whether or not by blood or marriage, who receives from or provides to the individual more than one-half of his/her financial support.*