

The Workforce Connection, Inc.

Policy Title: Conflict of Interest/Ethics

Reference Number 2016-100-01

Approved: 06/07/11
Effective: 06/07/11
Status: Active
Modifications: 1 – 06/06/17
2 – 03/06/18
3 – 12/07/21

Purpose/Introduction:

The purpose of the conflict of interest and ethics policy is to protect the interest of The Workforce Connection, Inc., as a tax-exempt organization and as a public body charged with oversight of federal and/or state funds, when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Board member, council or standing committee member, and/or staff of the organization or might result in a possible excess benefit transaction. This includes persons and entities involved in the competitive selection processes to identify service providers and award funding using Federal funds which must be free of conflicts of interest: real, apparent or organizational. This policy will promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest and promote high standards of integrity by conducting affairs honestly and ethically. Board members, council or standing committee members and/or staff of the organization must act with integrity and observe the highest ethical standards of conduct in dealing with any matters relating to The Workforce Connection Board. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to organizations responsible for maintaining the public trust for the use of federal, state and other grant funds for the purpose of carrying out goals and program requirements, including the responsibility to maintain the reputation and integrity of the entity, organizations and agencies and programs.

References: Uniform Guidance 2 CFR part 200

WIOA and USDOL Joint Rule: 678.615, 678.620, 678.625, 679.302, 679.430, 683.200 (c)(5), 679.430

TEGL 15 – 16 and TEGL 21-16

IL ePolicy Manual 1.7

WIOA Policy 15-WIOA 1.2

WIOA Policy 15 – WIOA 1.3

Background:

The Workforce Connection is releasing a Conflict of Interest/Ethics Policy to ensure that any Board member, council or standing committee member, and/or staff of the organization understands how to determine whether any conflict of interest, real, apparent, or organizational, exists and how to properly mitigate potential conflicts of interest, including disclosure, recusal, documentation and other requirements related to Board business, matters, and transactions.

Responsible Party: The Workforce Connection Board members, council or standing committee members, and/or staff of the organization.

Definitions:

1. Interested Person-- Potential Conflict – real, apparent, or organizational conflicts of interest:
Any Board members, council or standing committee members, and/or staff of the organization with governing board delegated powers, who has a real, apparent, or organizational interest as defined below, is an interested person.
 - a. A real or actual conflict of interest arises when a Board member, staff, employee, or person is assigned official responsibilities in a particular matter that will directly and predictably affect that individual's personal financial interests or the direct interests of family members.
 - b. The appearance of a conflict of interest: there are circumstances that would cause a reasonable

person with knowledge of the relevant facts to question the individual's impartiality in the official matter.

c. Organizational conflict of interest focuses on the institution (and everyone within the institution); because of other activities or relationships, the institution is unable to: 1) render impartial assistance or advice, 2) cannot perform work in an objective way, or 3) has an unfair competitive advantage compared to other entities.

d. Neither membership on the State WIB, the Local WIB, or a WIB standing committee, nor the receipt of WIOA funds to provide training and related services, by itself, violates these conflict of interest provisions.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 9, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Policy: All Board members, council or standing committee members, and/or staff of The Workforce Connection Board must neither cast a vote on, nor participate in any decision-making capacity, on the provision of services by such member or staff (or any organization which that member or staff directly represents), nor on any matter which would provide any direct financial benefit to that member or staff or that member's or staff's immediate family. No entity or individual that has any role in the issuance of a solicitation (including the development of requirements, drafting the RFP or RFB, etc.) may compete or submit a proposal under that procurement action. A list of entity(ies) and individuals with any role will be retained in a confidential manner with the procurement package of documentation.

- A. All Board members, council or standing committee members, and/or staff of the organization shall have a duty to disclose any real, apparent, or organizational conflicts of interest to the Board prior to any discussion and recusal from discussion and voting on any matter where a real, apparent or organizational conflict of interest exists including to the recipient of grant funds. The public disclosure of such conflict will include a statement of why there is a real, apparent, or organizational conflict of interest. In addition, all Board members, council or standing committee members, and/or staff will complete the Conflict of Interest Acknowledgment and Disclosure statement upon appointment to the board or when onboarding as a new staff member and will update the statement within 30 days of a change to any information initially provided.

Action Required: This information should be disseminated to The Workforce Connection Board members and staff.

Inquiries: Questions regarding any aspect of this policy should be directed to The Workforce Connection Executive Director.

Effective Date: June 7, 2011

The Workforce Connection, Inc.
CONFLICT OF INTEREST/ETHICS ACKNOWLEDGEMENT and DISCLOSURE STATEMENT
For Board Members, Board Staff and Committee/Council Members

NAME: _____

ROLE: _____

CONFLICT OF INTEREST:

- A. A member of the Workforce Board, Board Staff and any Committee or Council Members may not vote on a matter under consideration:
 - 1) Regarding the provision of services by such member (or by an entity that such member represents); or
 - 2) That would provide direct financial benefit to such member or their immediate family.
- B. A conflict of interest, real, apparent or organizational, appears to exist when a Board or Committee member takes part in decisions to transact Board business with an entity in which they, or a family member, have a material interest. Therefore, the responsibility rests with individuals to disclose prior to the time discussion begins their intention to abstain from voting whenever they have influence over a decision about a proposed contract between the Board, and its partners, and a company or agency in which they have a fiduciary interest or serve in a position of influence. Such individuals should recuse prior to the decision-making process of the issue under discussion and state the reason for the conflict of interest. Should the Board request information of a general or clarifying nature from the individual who has disclosed the conflict of interest, it will make the request of the individual directly, and limit interaction to the identified issues.
- C. Written disclosure of participation with other organizations and boards will be provided in writing upon appointment by all Board and Committee members and upon onboarding of new staff and will be updated within 30 day of a change to any information contained herein.

AFFIRMATION: I have read The Workforce Connection, Inc.'s *Conflict of Interest/Ethics Policy, Whistleblower/Fraud Policy* and By-Laws and understand its provisions. I hereby affirm that I will not, to the best of my knowledge and belief, be in a real, apparent or organizational conflict of interest, except as indicated below. I also affirm that I will declare my conflict as such situations arise and I will withdraw from the decision-making process for the issue under discussion.

BUSINESS / PROFESSIONAL ACTIVITIES IN WHICH I OR AN IMMEDIATE FAMILY MEMBER
(which for purposes of this Statement shall include a spouse, parents, sibling, child and any other relative residing in the same household), HOLD AS AN OWNER, OFFICER, BOARD MEMBER, PARTNER, EMPLOYEE OR OTHER BENEFICIARY POSITION:

Name of Business / Organization _____	Position Held and By Whom _____
_____	_____
_____	_____

OTHER ORGANIZATIONS WITH WHICH I OR A FAMILY MEMBER IS ASSOCIATED AND WHICH MIGHT REASONABLY EXPECT TO BE ENGAGED IN ANY TRANSACTION WITH THE WORKFORCE CONNECTION, INC:

Name of Business / Organization _____	Position Held and By Whom _____
_____	_____

OTHER ACTIVITIES WHICH MAY PRODUCE OR BE CONSTRUED AS A REAL, APPARENT OR ORGANIZATIONAL CONFLICT OF INTEREST:

Date: _____

Signature: _____