

WIOA Guidance Notice No. 1-16

TO: Workforce Development Boards

FROM: Angela Fry
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Workforce Programs

SUBJECT: Conflict of Interest

EFFECTIVE DATE: July 1, 2015

I. REFERENCE(S):

Workforce Innovation & Opportunity Act of 2014, 101(f), 102(b)(2)(E)(i), 107(h), West Virginia Code 6-B-2-5 and 61-10-15

II. PURPOSE:

The purpose for this guidance notice is to provide conflict of interest provisions for State and Local Workforce Development Boards, Youth Committees and staff of Workforce Development Boards.

III. BACKGROUND:

Sections 101, 102, and 107 of the Workforce Innovation & Opportunity Act (WIOA) of 2014 requires all members of State and Local Workforce Development Boards, Youth Committees, and their staff serve a public interest and have a clear obligation to conduct all affairs in a manner consistent with the concept of public trusts. All decisions of Boards and Youth Committees should be based on promoting the best interest of the public good. This guidance notice has been developed to ensure identification and resolution of conflicts of interest.

IV. ACTION:

All Workforce Development Board and Youth Committee members are subject to the State of West Virginia's current conflict of interest provisions found in the **West Virginia Governmental Ethics Act**.

Every local Workforce Development Board shall adopt in its bylaws conflict of interest standards that meet the minimum standards set forth in this policy guidance letter. The standards shall apply to all Workforce Board members, Youth Committee members, and their staff.

A member of a local board or youth committee must 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. Immediate family means a spouse residing in the individual's household and any dependent child or children and dependent parent or parents.

A board or committee member who participates in decisions relating to specific terms of a contract, the determination of performance standards in a contract, or the development of Request for Proposals or other processes leading to a contract, is prohibited from receiving any direct financial benefit from any resulting contract.

Any Board or Council member with a potential conflict of interest must disclose that fact to the Local Workforce Development Board as soon as the potential conflict is discovered. If the potential conflict of interest is discovered during a board or committee meeting, the member must declare such potential conflict and excuse themselves from the remainder of the discussion and vote on that item. A board or committee member shall not engage in any business transaction or private for profit arrangement, which accrues from that member's position on the board.

All members of the West Virginia Workforce Development Board and the Governor must sign a Conflict of Interest Statement.

VIOLATIONS OF CONFLICT OF INTEREST PROVISIONS

If the Board believes that a conflict of interest provision has been violated, it can recommend to WorkForce West Virginia and the chief elected official of the workforce area that the member who has violated a provision be removed as a member of the board.

The Governor or the chief elected official can remove a member of the board for a violation of conflict of interest code with or without a recommendation from the board.

The West Virginia Ethics Commission is available to assist Workforce Boards, Youth Committee members, and their staff with questions and clarification of provisions covered by the Governmental Ethics Act and related issues. They can be reached at 304-558-0664.

V. IMPLEMENTATION DATE: Effective 7/01/2015

VI. INQUIRIES: Please direct any questions regarding this Guidance Notice to WorkForce West Virginia/Workforce Programs Division.