

Policy Area: Governance and Administrative Standards	
Title: Conflict of Interest Requirements for Local Workforce Development Boards	Number: GAS-COI-25-V1
Effective Date: November 01, 2025	Review by Date: November 01, 2026
Approved Date: July 22, 2025 Revision Date:	Approved by: Scott A Adkins

PURPOSE

This policy establishes the minimum required standards that each Local Workforce Development Board **must** adopt in its local Conflict of Interest (COI) policy. For the purposes of this policy, all Local Workforce Development Boards will be referred to as “LWDBs.” The intent is to ensure consistency, transparency, ethical integrity, and legal compliance across all LWDB operations, in alignment with the Workforce Innovation and Opportunity Act (WIOA) and the West Virginia Governmental Ethics Act.

Supersedes WIOA Guidance Notice No. 1-16 effective July 1, 2015, and replaces prior COI guidance with updated requirements aligned with WIOA and the WV Governmental Ethics Act.

REFERENCES

- Workforce Innovation and Opportunity Act (WIOA), Public Law 113-128
- 29 CFR § 683.200 – Administrative Provisions on Conflict of Interest
- 29 CFR § 679.430 – Local Workforce Development Board Functions
- West Virginia Governmental Ethics Act, W. Va. Code §§ 6B-1-1 et seq.
- Office of Management and Budget (OMB) Uniform Guidance, 2 CFR Part 200
- WIOA Guidance Notice No. 1-16 (superseded by this policy)

BACKGROUND

WIOA requires recipients of Title I funds—including LWDBs—to implement internal controls that prevent real or perceived conflicts of interest in governance, procurement, service delivery, oversight, and other operational activities.

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LWDBs hold a unique position of authority, directing significant federal investments and influencing service coordination that directly impacts jobseekers, workers, and employers. Due to the collaborative and cross-sector nature of workforce partnerships, the risk of conflicts is elevated.

Although LWDBs are structured as nonprofit entities and their members are not classified as public employees under state law, they administer federal funds and operate in a public trust capacity. Therefore, they are held to high ethical standards, including those established by the West Virginia Governmental Ethics Act, to ensure impartiality, transparency through disclosure, and the avoidance of personal or financial gain arising from their public roles.

Noncompliance or inconsistent application of COI policies may result in disallowed costs, audit findings, or reputational harm. This policy directive sets forth the uniform minimum standards that each LWDB **must** include in its local COI policy to ensure consistency, compliance, and ethical integrity throughout the workforce system.

SCOPE

Each LWDB **must** define the scope of its local COI policy to apply to all individuals and entities involved in its governance and operations. At a minimum, this includes:

- LWDB members;
- Standing and ad hoc committee members;
- Administrative and program staff;
- Contractors, vendors, and subcontractors;
- Service providers and partner entities;
- Any individual or entity with actual or potential influence over LWDB decision-making.

This policy establishes mandatory minimum standards for LWDBs. Local boards are encouraged and permitted to adopt more stringent conflict of interest policies and procedures to address their unique operational needs and enhance governance integrity.

DEFINITIONS

Each LWDB's policy **must** include the following definitions:

- **Conflict of Interest:** A situation in which a person's personal, financial, or professional interests could impair or appear to impair their objectivity in decision-making on behalf of the LWDB.
- **Appearance of a Conflict:** A situation in which a reasonable person could question a decision-maker's impartiality due to personal, professional, or financial ties.
- **Covered Individuals:** Refers to any individual who is subject to the conflict of interest provisions set forth in this policy.

- **Financial Benefit:** Direct or indirect monetary gain, including contracts, gifts, salaries, or commissions.
- **Non-Financial Benefit:** Preferential treatment, employment opportunities, or honorary roles that may influence objectivity.
- **Immediate Family:** A spouse, dependent child(ren), dependent grandchild(ren), and dependent parent(s) residing in the same household.
- **Relative:** Includes all individuals defined as *immediate family* and also extends to the following, regardless of place of residence or dependency status:
 - Stepparent, grandparent, or step-grandparent
 - Stepchild, grandchild, or step-grandchild
 - Brother or sister, including half-siblings, step-siblings, and siblings-in-law
 - Aunt, uncle, niece, or nephew, including step and in-law relationships
 - First or second cousin
 - Father-in-law, mother-in-law, son-in-law, daughter-in-law, and their step equivalents
- **Domestic Partner:** An individual in a committed personal relationship residing in the same household and sharing financial/domestic responsibilities.
- **Business Partner:** Any person or entity with a business relationship with a covered individual, including joint ownership or shared financial interests.
- **Recusal:** The act of abstaining from participating in a matter due to a real, potential, or perceived conflict of interest.

MINIMUM STANDARDS FOR LOCAL POLICY CONTENT

- **Conflict of Interest Prohibition**

Local policies **must** prohibit covered individuals from:

- Voting or participating in decisions involving contracts or services provided by an entity they represent.
- Participating in decisions where they, their relative, domestic partner, or business partners could benefit.
- Receiving personal, familial, or partnership-related benefits from contracts or agreements in which they had influence or decision-making authority, including those involving a relative, domestic partner, or business partner.
- Entering into business relationships arising from their official role.
- Covered individuals are prohibited from accepting gifts, favors, or other items of value from individuals or entities when such acceptance could reasonably be perceived as compromising impartiality or influencing official decision-making.
- LWDBs **must** adopt formal policies on the solicitation and acceptance of gifts, consistent with the standards set forth in the West Virginia Governmental Ethics Act and

interpretive guidance issued by the West Virginia Ethics Commission. These policies **must** prohibit the solicitation or acceptance of gifts from any person or entity that:

- Is seeking official action by the LWDB;
 - Is doing or seeking to do business with the LWDB;
 - Is subject to regulation by the LWDB; or
 - Has interests that may be substantially affected by the performance or nonperformance of the recipient's official duties.
- Policies **must** clearly define allowable exceptions based on Ethics Commission guidance—such as items of nominal value—and **must** emphasize that even small-value gifts are prohibited if intended to influence any official action. LWDBs are encouraged to establish a reasonable monetary threshold for nominal value and to include procedures for disclosure, documentation, and recusal when necessary.

- **Disclosure Requirements**

Local policy **must** require:

- LWDBs **must** promptly disclose, in writing and within 24 hours, upon obtaining credible evidence of any violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations under Title 18 of the United States Code, or of any violation of the civil False Claims Act (31 U.S.C. §§ 3729–3733).
 - The disclosure **must** be made to the federal agency, the agency's Office of Inspector General, and WFWV.
- All LWDBs **must** utilize the standardized WIOA Title I Conflict of Interest Acknowledgement and Disclosure Form (**Attachment A**).
 - The form **must** be completed upon appointment, employment, or contract execution, ensuring disclosure of any potential conflicts at the outset.
- Annual renewal of all disclosures.
- Immediate updates if a new conflict arises.
- Disclosure of personal, familial, or partnership-related financial interests—including those of a relative, domestic partner, or business partner—in entities seeking LWDB-administered funds.

- **Recusal Procedures**

Local policy **must**:

- Require written conflict declarations when known.
- Mandate immediate recusal from related discussions or votes.
- Document recusals in meeting minutes or official records.
- Identify a designated official (e.g., Ethics Officer) to manage recusals.

- **Ethics Oversight and Conflict Management**

Local policy **must**:

- Designate an Ethics Officer or Ethics Committee.
- Outline review procedures for disclosures and mitigation plans.
- Include options such as duty reassignment, divestiture, or role modification.

- **Reporting and Transparency**

- **Conflict Reporting**

- Establish internal processes to report actual, potential, or perceived conflicts.
- Maintain secure records of COI forms and recusals.
- Require documentation of mitigation actions.

- **Mandatory Disclosure of Criminal Conduct**

- Under 2 CFR § 200.113, LWDBs **must** ensure subrecipients understand and comply with federal reporting requirements. Specifically:
 - LWDBs **must** implement internal processes for rapid identification and escalation.
 - Any violations of federal criminal law involving conflicts, fraud, bribery, or gratuity violations that could impact a federal award **must** be reported in writing to the federal agency, the federal agency's Office of the Inspector General, and WFWV.
 - Ongoing or repeated instances of noncompliance may trigger further action under the state's [WIOA Sanctions Policy](#).

- **Annual Summary Reporting**

Each LWDB **must**:

- Submit an annual Conflict of Interest summary report (**Attachment B**) to WorkForce West Virginia at WorkForceEO@wv.gov.
 - To be submitted no later than **September 30** following the end of each program year.
 - Include the Conflict Disclosure Log (**Attachment C**) as part of the same submission.
- Post a redacted version of the summary report—removing all **Personally Identifiable Information (PII)**—on the region's public website no later than **October 1** following the end of each program year.
- Maintain training and disclosure records for audit or monitoring purposes.
 - Records **must** be retained for a minimum of **three (3) years** following the end of the program year in which they were created, or longer if subject to an ongoing audit, litigation, or investigation.

- **Enforcement and Sanctions**

Local policies **must**:

- Allow for investigation of COI violations.
- Define potential corrective actions (e.g., reprimands, removal, contract termination).
- Ongoing or repeated instances of noncompliance may trigger further action under the state's [WIOA Sanctions Policy](#).
- Acknowledge that the Chief Elected Official (CEO) or Governor may remove board members for cause.

- **Training and Education**

Each LWDB **must**:

- Provide ethics and COI training during onboarding and annually.
- Use workforce-relevant, scenario-based examples.
- Regularly update training to reflect new guidance or legal changes.

- **Policy Review and Updates**

Each LWDB **must**:

- Conduct an **annual review** of its COI policy and revise it as needed to incorporate changes in law, address audit findings, consider stakeholder input, and ensure continued alignment with current guidance and requirements.
- Maintain a documented process for ongoing improvement.

EFFECTIVE DATE AND LOCAL POLICY ALIGNMENT

This policy will become effective 90 days from the date of approval. LWDBs **are required** to review and update their local COI policies within this timeframe to ensure full alignment with the state-level policy

LWDBs **must** submit their updated local COI policies to WorkForce West Virginia at wfwvtac@wv.gov for review and feedback. This process is designed to support consistency, compliance, and transparency across all workforce regions.

RECOMMENDED BEST PRACTICES

While not mandatory, LWDBs are strongly encouraged to:

- Implement electronic systems for COI disclosure and tracking.
- Develop model scenarios and case examples for training.
- Incorporate internal audit or compliance staff into oversight processes.
- Maintain documentation of all required disclosures and training (e.g., sign-in sheets, materials used) to support audit readiness and promote accountability.

ATTACHMENTS

Attachment A – Conflict of Interest Acknowledgment and Disclosure Form

Attachment B – Annual Conflict of Interest Summary Report

Attachment C – Annual Conflict of Interest Disclosure Log

Version Control

Version #	Effective Date	Description of Changes	Author/Editor	Approval Date
1.0	11/01/2025	<i>New policy issued under updated naming and formatting structure; replaces 01-16 conflict of interest guidance, effective 2015 . Modernizes content to align with current WIOA requirements and WV Ethics Act standards.</i>	WorkForce Unit	07/22/2025

Conflict of Interest Acknowledgment and Disclosure Form

WIOA Title I Programs

Purpose

To promote transparency, integrity, and compliance with federal and state ethics requirements, all individuals engaged in activities funded under the Workforce Innovation and Opportunity Act (WIOA) Title I must annually review and acknowledge their understanding of and agreement to comply with the Local Workforce Development Board's (LWDB) Conflict of Interest Policy.

This requirement applies to, but is not limited to employees, officers, agents, and board members of the LWDB, which can include:

- Workforce Development Board members
- Standing and ad hoc committee members
- Administrative and program staff
- Contractors, subrecipients, and service providers
- One-Stop Operator staff
- Any individual involved in procurement, oversight, or decision-making processes

Section I: Individual Information

Full Name: _____

Title/Role: _____

Organization/Agency (if applicable): _____

Date: _____

Section II: Disclosure of Potential Conflicts of Interest

Please disclose any relationships, affiliations, or financial interests (direct or indirect) that may present a real or perceived conflict of interest in relation to your role within the WIOA Title I workforce system. This includes, but is not limited to:

- Employment with or financial interest in entities receiving or seeking WIOA Title I funds

- Service on boards or advisory committees of training providers or contractors
- Personal, familial, or business relationships with individuals or organizations engaged with the LWDB
- Participation in procurement or oversight processes that could be affected by such interests

Attach additional pages as needed.

Affiliations/Interests to Disclose:

☐ None

☐ Yes – Please describe below:

Section III: Acknowledgment and Certification

By signing below, I certify the following:

- I have received, reviewed, and understand the LWDB’s Conflict of Interest Policy.
- I understand that the policy applies to my role in all WIOA Title I-funded activities, regardless of my position as staff, board member, contractor, or partner.
- I agree to disclose any actual, potential, or perceived conflicts of interest as soon as they arise and to recuse myself from related decisions or discussions when applicable.
- I understand that failure to comply with the Conflict of Interest Policy may result in corrective action, including removal from position, contract termination, or other appropriate remedies.

Signature: _____

Title/Role: _____

Date: _____

Annual Conflict of Interest (COI) Summary Report

Program Year:

Local Workforce Development Board:

Date of Submission:

Submit to: WorkForce West Virginia at WorkForceEO@wv.gov

Section I: General Information

- **Name of Ethics Officer or Responsible Party:**
- **Contact Information:** *Email:* _____ *Phone:* _____
- **Date of Local COI Policy Review/Update:**
- **Date of Most Recent COI Training Conducted:**

Section II: Conflict of Interest Disclosure Log Instructions

All identified conflicts of interest must be recorded in **Attachment C**. This log serves as the official record of all disclosures, actions taken, and resolutions during the reporting period.

The completed log (**Attachment C**) must be submitted alongside Attachment B – the Annual Conflict of Interest Summary Report.

Instructions for Completing the Log:

Each entry should be completed using the following guidance:

- **Name of Individual:** Enter the full name of the individual disclosing the conflict.
- **Role/Title:** Specify the person's role or job title.
- **Nature of Conflict:** Provide a short but clear description of the conflict (e.g., "Board member's spouse works for a subrecipient vendor").
- **Date Identified:** Enter the date when the conflict was disclosed or first identified.
- **Action Taken:** Describe what was done to manage or mitigate the conflict (e.g., individual recused from vote, alternate member assigned, etc.).
- **Resolution Date:** Enter the date when the conflict was fully resolved or when mitigation efforts were finalized.

Ensure that each field is completed to the best of your ability. Blank fields should only be left empty if the information is not yet available, in which case the entry **must** be updated later.

Attachment C is a required component of your annual submission package.

Section III: Summary of Recusals and Mitigation

- **Total COI disclosures submitted:**
- **Total recusals recorded in official meeting minutes:**
- **Mitigation actions taken:**
 - Duty reassignment
 - Recusal from vote/discussion
 - Contract modification
 - Ethics consultation
 - Other: [Specify]

- **Any unresolved or ongoing conflict issues?**

☐ Yes ☐ No

If yes, please explain:

Section IV: Training and Awareness

- **Number of new staff/board members trained this year:**
- **Annual COI training completed:**

☐ Yes ☐ No
- **Training materials attached:** ☐ Yes ☐ No
(Attach sign-in sheets, agenda, or materials if available)

Section V: Process Improvements or Recommendations

- [Briefly describe any changes made to strengthen internal COI processes.]

- [Note any challenges encountered or recommendations for policy updates.]

Section VI: Certification

I certify that the information contained in this report is complete and accurate to the best of my knowledge, and that all required disclosures and mitigation steps were handled in accordance with our local COI policy and WFWV requirements.

Signature: _____

Name (Printed): _____

Title: _____

Date: _____

Section II: Conflict of Interest Disclosure Log

Date Received	Name/Title	Type of Conflict	Relationship Involved	Action Taken	Status

If additional rows are needed, please attach a separate sheet and include all pages as part of the annual report submission package to be sent to WorkForceEO@wv.gov.