



Montgomery County Workforce Investment Board

Policy: **CONFLICT OF INTEREST POLICY FOR WIB MEMBERS,
STAFF AND VENDORS**

Effective Date: July 1, 2012

Policy Number: 2012-18

**SUBJECT: CONFLICT OF INTEREST POLICY FOR WIB MEMBERS,
STAFF AND VENDORS**

PURPOSE: To provide guidance on maintaining the highest level of ethical standards for members of the Workforce Investment Board, the WIB staff, and any vendors funded under the Workforce Investment Act (WIA) of 1998.

REFERENCES: Public Law 105-220 Section 111 (f) (WIA); Public Law 105-200 Section 117 (g), 20 CFR 667.200 (a)(1) and (4) (Code of Federal Regulations), 29 CFR 95.42, 29 CFR 97.3
6.

The Maryland Code Annotated, State Government Article, Title 15 Subtitle 5 (Supp. 2001) and Code of Maryland Regulations ("COMAR") 19A.02.01 and 19A.02.02 addresses the conflict of interest provisions of the State Ethics Law.

Chapter 19A, Montgomery County Code of Ethics
<http://www6.montgomerycountymd.gov/mcgtmpl.asp?url=/Content/ethics/index.asp>

County Council resolution 16-466, Approval of the Executive Regulation 27-07
Financial
Disclosur
e/

EFFECTIVE DATE: July 1, 2012

ACTION REQUIRED: Within 15 days of the receipt of this policy it is the recipient's responsibility to ensure all staff are informed of the policy and to create an internal process to ensure accountability.

BACKGROUND:

A Conflict of Interest Policy is required in order to ensure that individuals or representatives of organizations entrusted with public funds will not personally or professionally benefit from the award or expenditure of such funds.

Grantees, subrecipients, and contractors funded under the Workforce Investment Act (WIA), whether in whole or in part, must abide by the Workforce Investment Act of 1998, the WIA

Regulations, all applicable Office of Management and Budget (OMB) circulars, and the State of Maryland WIA policies regarding conflict of interest.

POLICY:

Conflict of interest, real or perceived, will not be tolerated. Any duality of interest or real or perceived conflict of interest on the part of any Workforce Investment Board (WIB) members, staff and vendors shall be disclosed to the Chair of the WIB or the Executive Director and made a matter of record, when the interest becomes a matter of Board action. A member must publicly declare that a possible conflict of interest exists before the agenda item in question is introduced. A member must disclose the nature of the conflict. The person chairing the meeting will then acknowledge the declaration. Members involved in an acknowledged conflict of interest must refrain from all discussion and abstain from all voting relative to the affected agenda item. The minutes of the meeting shall reflect that a disclosure was made and the abstention from voting and the discussion.

The conflict of interest policy shall be reviewed annually at a meeting of the Board to provide information and guidance to the members. Any new members of the Board shall be advised of the policy upon entering the duties of his/her office.

Definitions:

"Conflict of Interest" refers to the conflict between the public obligation and the private interests of the persons or entities identified in the Purpose Section of this Policy.

"Member" refers to a member of the WIB or the Youth Council, unless otherwise specified.

"Employee" refers to an employee of the WIB or the Youth Council, unless otherwise specified.

"Financial interest" includes possible disadvantage to a competitor of the business or nonprofit entity which the member represents.

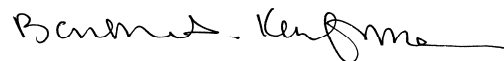
Requirements:

1. No individual in a decision-making capacity shall engage in any activity, including participation in the selection, award, or administration of a subgrant or contract supported by WIA funds, if a conflict of interest (real, implied, or apparent) would be involved.
2. A WIB member or Youth Council member must neither cast a vote on, nor participate in, any decision-making capacity on the provision of services by such member (or any organization which that member directly represents), nor on any matter which would provide any direct financial benefit to that member or a member of his immediate family. The U.S. Department of Labor's Final Rule defines to "participate in a decision-making capacity" includes to discuss an issue and to influence, or try to influence, other WIB or Youth Council members or staff to take a position for or against an issue.
3. A conflict of interest under paragraph 1 and 2 would arise when:
 - An individual; i.e., employee, officer, or agent,
 - Any member of the individual's immediate family (partners, spouse, children, or siblings),
 - The individual's partner, or
 - An organization which employs, or is about to employ an individual (individual has received a job offer from the organization) who has financial or other interest, either through ownership or employment, and participates in the selection or award of funding for that organization or firm.

4. Members of the WIB and Youth Council will neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to subagreements. The WIB may set minimum rules where the gift is an unsolicited item of nominal intrinsic value.
5. Neither membership on the WIB nor the receipt of WIA funds to provide training or other services shall be construed, by itself, to violate these conflict of interest provisions of the Act or Regulations.
6. Members shall not be financially interested in any contract made by them in their official capacity or in any contract made by the WIB. If a member has a remote interest in a contract that member shall disclose such interest to the WIB or Youth Council so that the interest can be noted in the official records; shall not influence or try to influence another member to enter into the contract or not enter into the contract; and shall not vote concerning whether the WIB should enter into the contract.
7. Each employee will follow Montgomery County's laws and regulations regarding financial disclosure and conflict of interest
8. Each vendor will follow Montgomery County's laws and regulations regarding financial disclosure and conflict of interest
9. When the WIB Director determines that s/he should not make a governmental decision because s/he has a disqualifying interest in that decision, the WIB Director shall disclose his/her determination and disqualifying interest in writing to the chairperson of the WIB and to the Director of the Department of Economic Development, in addition to following the County requirements.
10. When an employee (other than the WIB Director) or a consultant determines that s/he should not make a governmental decision because s/he has a disqualifying interest in that decision, that person shall disclose his/her determination and disqualifying interest in writing to the WIB Director.
11. If an employee is notified or becomes aware that a potential conflict of interests exists with respect to a member, employee, or vendor the employee will so inform the WIB Director. If the potential conflict involves an employee, the WIB Director will dismiss the employee from all matters related to the potential conflict. If the potential conflict involves a member, the Director will consult with the chairperson of the WIB or Youth Council as appropriate.
13. Any member who believes a conflict of interest exists with respect to another member can declare so during the appropriate meeting. If the issue is challenged or disputed by the affected member, the chairperson of the meeting will refer the matter to County Counsel for final determination, and the agenda item will be tabled pending final opinion from counsel.
14. All instances of nonparticipation due to declared conflicts of interest shall be duly recorded in the minutes of the appropriate board or committee meeting, and shall serve as documentation of compliance with this Policy. Instances in which a member has chosen not to be present at a meeting where a conflict of interest might arise shall likewise be recorded in the minutes.
15. The WIB will follow Montgomery County's policies to carry out any penalties, sanctions, or other disciplinary actions in violation of this conflict of interest policy.
16. A WIB member must not engage in any activity determined to constitute a conflict of interest by the State of Maryland's Ethics Law.

Approved:

February 27, 2013



Date of Board Approval

Barbara Kaufmann, WIB Director