**Conflict of Interest and Firewalls**

The Green Country Workforce Development Board (GCWDB) is committed to guard against problems arising from real, perceived, or potential conflict of interest. This issuance serves as guidance to ensure that WIOA title I workforce development activities are conducted in a manner to prevent conflict of interest and ensure firewalls are in place to protect the integrity of all GCWDB activities.

**I. Definitions:**

A. Conflict of Interest: an employee, officer, agent, or any member of the organization that has an interest in a financial gain or tangible benefit and who participates in the selection, award, or administration of a contract supported by a federal award.

 B. Firewall: an established policy or procedure that acts as a barrier or protection against an undesirable influence, outcome, or authority. Examples of firewalls include but are not limited to organizational arrangements that provide clear separation of duties and responsibilities, reporting hierarchy of managers and staff that provide clear separation between job duties and responsibilities, and conflict of interest/confidentiality/disclosure agreements.

 C. Interested Person: Any staff, contracted employee, director, principal officer, or member of a council or standing committee with governing board-delegated powers, who has a real, apparent, or organizational interest as defined below, is an interested person.

 (1) A real or actual conflict of interest arises when a Board member, staff, contracted employee, or person is assigned official responsibilities in a particular matter that may directly affect that individual’s personal financial interests or the direct interests of family members.

 (2) 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.

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

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

 D. Financial Interest: A financial interest is not necessarily a conflict of interest. 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.

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

 (1) An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,

 (2) A compensation arrangement with the Organization or with any entity or individual which the Organization has a transaction or arrangement, or

 (3) 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.

**II. Policy:** The GCWDB Staff and Members, One Stop Operator (OSO), Service Providers and Fiscal Agent must act solely in the best interest of the community without regard to personal interest and must not participate in matters in which they have a disqualifying financial interest. Additional guidance can be found in OWDI 23-2017, Change 1 entitled Conflict of Interest Policy dated December 18, 2018.

**III. Firewall Guidelines:**

 A. The appropriate role of the fiscal agent is limited to accounting and funds

 management functions rather than policy or service delivery as per Title 2 CFR §

 679.420.

 B. Providers delivering Title I, Dislocated Worker and Adult Services and Title I,

 Youth Direct Services will report any concerns or issues relating to conflicts of

 interest with the One Stop Operator directly to the GCWDB Executive Director or Board Chair and bypass the OSO.

 C. OSOs will report any concerns or issues relating to conflicts of interest with

 the Title I, Dislocated Worker and Adult Services and Title I, Youth Direct Service

 Providers directly to the GCWDB Executive Director or Board Chair and bypass the Direct Services agency.

 D. GCWDB will be responsible for all conflicts of interest oversight and monitoring

 activities including but not limited to imposing separation of duties and/or

 functions among individuals and entities party to this policy and restriction of

 access to physical and electronic information. GCWDB will be required to recuse

 themselves from any vote where a conflict of interest exists. In the event of a

 conflict of interest with GCWDB staff, such person will not be involved in any

 selection process, meetings, or discussions. All conflicts will be shared with the

 GCWDB Executive Director (or designee) and GCWDB Chair. In the event that

 the conflict involves the GCWDB Executive Director, the GCWDB Chair will communicate with the Chief Elected Official who provides oversight to the GCWDB Executive Director position. In the event that the conflict involves the GCWDB Chair, the GCWDB Executive Director will communicate with the GCWDB Vice-Chair or other GCWDB Executive Committee members. When a conflict involves staff, records will be kept confidential.

 E. In the event that a GCWDB member recuses themselves from a vote at a public

 board meeting, causing a quorum vote to not be met, the item will be tabled until

 a future meeting. If this occurs at a GCWDB Executive Committee meeting, the

 item will be included on the GCWDB agenda at a subsequent meeting. If there is

 an instance where the GCWDB does not have a quorum vote due a recusal then

 the item will be tabled and added to a future agenda for further discussion and

 vote.

 F. Staff of GCWDB will comply with the Conflict of Interest and Code of Conduct outlined in OP-0800101 Code of Conduct dated XX/XX/2021. Board members will adhere to the guidance established in the Board Member By-Laws and Conflict of Interest Disclosure statement.

**IV. One-Stop Operator and Service Provider:**

 A. GCWDB selects their OSO through a competitive process as outlined in

 P-0600100 entitled One Stop Operator Procurement dated XX/XX/2021. As part of that competitive process, the GCWDB clearly articulates the expected role(s) and responsibilities of the OSO.

 B. When a third party conducts the competitive process, a firewall is created that allows GCWDB to contribute the necessary and relevant federal, state, and local procurement requirements to the third party for them to conduct the competitive process.

 C. Operators are selected through a competitive procurement process.

 D. When a single entity operates in more than one of the following roles including but not limited to local fiscal agent, WDB staff, one-stop operator, or direct

 service provider, it is required that such agency adhere to the policy set forth in

 this document.

 E. The OSO and the Youth, Adult and Dislocated Worker Career Services

 Providers fulfill two distinct and separate roles within the local AJC system.

 These roles may be filled by the same entity or different entities based on what

 GCWDB determines is best for meeting the needs of our customers and

 demographic area, but the roles must be clearly articulated as part of the

 competitive procurement and selection processes.

 F. The role of the OSO includes the following:

 (1) Coordinating the service delivery of required partners and service

 providers.

 (2) Ensuring the implementation of partner responsibilities and contributions agreed upon in Memorandums of Understanding.

 G. OSO responsibilities include:

 (1) Coordinating the service delivery of required partners and service

 providers.

 (2) Implement local GCWDB policies.

 (3) Adhere to all applicable federal and state guidance.

 H. The OSO must adhere to the following:

 (1) Disclose any potential conflicts of interest arising from the relations of the OSO, with particular training service providers or other service

 providers in accordance with Uniform Guidance General Procurement

 Standard as per Title 2 CFR §200.318.

 (2) Will not establish practices that create disincentives to providing services to individuals with barriers to employment who may require longer-term

 services, such as intensive employment, training, and education services.

 (3) Comply with the federal regulations and procurement policies relating to the calculation and use of profits outlined in Uniform Guidance.

 (4) Adhere to WIOA Title I subtitle E § 679.430 to ensure appropriate firewalls.

V. Fiscal Agent:

 A. The Local Elected Officials appoint the fiscal agent.

 B. Per 2 CFR § 679.420, the Fiscal Agent responsibilities include:

 (1) Receive funds.

 (2) Ensure sustained fiscal integrity and accountability for expenditures of

 funds in accordance with Office of Management and Budget circulars,

 WIOA and the corresponding Federal Regulations and State policies.

 (3) Respond to audit financial findings.

 (4) Maintain proper accounting records and adequate documentation.

 (5) Prepare financial reports.

 (6) Provide technical assistance to sub recipients regarding fiscal issues.

 The fiscal agent also:

 a. Enters into contracts with sub-recipients and works with GCWDB to establish the scope of services aligning with requirements set forth in WIOA law and local policies set by the GCWDB.

 b. Manages fiscal monitoring of all sub-recipients and issues monitoring reports.

 c. Processes monthly invoices, payments and is responsible to draw

 funds down from the State of Oklahoma.

**VI. Violations of the Conflicts of Interest Policy:**

 A. If there is reasonable cause to believe a staff, contracted employee, director, principal officer, or member of a council or standing committee with governing board-delegated powers has failed to disclose actual or possible conflicts of interest, the person will be given an opportunity to explain the alleged failure to disclose.

 B. If, after hearing the person's response and after making further investigation as warranted by the circumstances, it is determined the person has failed to disclose an actual or possible conflict of interest, appropriate disciplinary and corrective action will be taken.

**VII. Annual Statements:** Each director, principal officer, staff member, and member of a committee with governing board-delegated powers shall sign a statement, which affirms such person:

 A. Has received a copy of the conflicts of interest policy,

 B. Has read and understands the policy,

 C. Has agreed to comply with the policy, and

 D. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes including overseeing use of federal, state, and other grant funds.

**VIII.** **Periodic Reviews:** To ensure the Organization operates in a manner consistent with grant oversight purposes and does not engage in activities that could jeopardize its tax-exempt status and/or grant oversight responsibilities, periodic reviews shall be conducted. When conducting the periodic reviews, GCWDB may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted. The periodic reviews shall include, at a minimum, the following subjects:

 A. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

 B. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

**IX. Performing Multiple Functions:** Local organizations often function simultaneously in a variety of roles, including local fiscal agent, Local WDB staff, one-stop operator, and direct provider of services. Any organization that has been selected or otherwise designated to perform more than one of these functions must develop a written agreement with the Local WDB and CEO to clarify how the organization will carry out its responsibilities while demonstrating compliance with WIOA and corresponding regulations, relevant Office of Management and Budget circulars, and state policy.

**X.** **Equal Opportunity and Nondiscrimination Statement**: All recipients, and subrecipients/subgrantees must comply with WIOA’s Equal Opportunity and Nondiscrimination provisions which prohibit discrimination on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, transgender status, and gender identity), national origin (including limited English proficiency), age, disability, political affiliation or belief, or, for beneficiaries, applicants, and participants only, on the basis of citizenship status or participation in a WIOA Title-I financially assisted program or activity.

**XI. Action**

The Executive Director is responsible for compliance of this policy. The Executive Director is responsible for annual review and revisions if needed. Any exceptions to this policy statement will require prior written approval from the Executive Director or chair of the Green Country Workforce Development Board.

This policy will be effective immediately upon approval of the GCWDB membership.

Attachments: Board By-laws

 Conflict of Interest Statement

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 Chair, Green Country Workforce Development Board / Date