

Northwest Workforce Service Area Letter 8

Subject: Conflict of Interest

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Effective Date: 1 January 2004

Action: To insure that Workforce Investment Board members are aware of circumstances that would constitute a conflict of interest, including voting on any matter regarding the provision of service by that member or the entity that the member represents and any matter that would provide a financial benefit to that member or to their immediate family.

Who: Workforce Investment Board Members, Local Elected Official Board Members, and Program Providers.

Background: Section 117 (g) of the Workforce Investment Act of 1998 defines conflict of interest for Workforce Investment Board members and mandates specific activity in which Workforce Investment Board members are not to participate in.

Policy and Procedures: When an appointed member of the Northwest Private Industry Council Workforce Investment Board has a personal or private interest in a proposal or decision pending the Workforce Council, the member must publicly disclose the fact to the Workforce Investment Board in an open meeting. A Workforce Investment Board member should avoid even the appearance of a conflict of interest. Specifically the member may not:

1. Vote or participate in discussion on a matter under consideration by the Workforce Investment Board .
 - a. Regarding the provision of services by said member or by an entity that such member represents; or
 - b. That would provide direct financial benefit to such member of the immediate family of such member, or
2. Engage in any other activity determined to constitute a conflict of interest as specified in the local plan.
3. Use or attempt to use the appointment to secure benefits, privileges, exemptions or advantages for the member, the member's immediate family, or for an organization with which the member is associated which are different from those available to a member of their business classification or organization.

If a member has publicly disclosed a potential conflict of interest and it is not possible to assign the matter to another member who does not have a similar conflict, interested parties shall be

notified of the conflict, the matter shall be documented in the minutes, and the member may continue with the assignment.

Resolution of Conflict of Interest: If a member of the Workforce Investment Board reasonably suspects that another member or members of the Workforce Investment Board did not publicly disclose a potential conflict, the member shall take the following actions for the purpose of removing doubt concerning a potential conflict of interest:

1. Prepare a written statement describing the matter, action or decision on which a conflict is perceived to exist, outline the facts which give rise to the member's belief, and the reason or reasons thereof;
2. Submit the statement to the Workforce Investment Board Chairperson.

The Workforce Investment Board Chairperson will request staff assistance in determining if the issue can be reasonably resolved between parties or whether the conflict statement should be submitted to the Chief Local Elected Official of the Workforce Service Area for an opinion and resolution. If the Chief Elected Official determines that a conflict of interest exists, the matter shall be assigned to another Workforce Investment Board member who does not have a conflict of interest. If it is not possible to assign the matter to a member who does not have a conflict of interest, interested parties shall be notified of the conflict, the conflict shall be documented in the minutes, and the member may proceed with the assignment.

Reference:

Workforce Investment Act of 1998: Section 117 (g)
Minnesota Workforce System Reference Manual: Section 5

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