



**COUNTY OF SAN LUIS OBISPO**  
**DEPARTMENT OF SOCIAL SERVICES**  
**WORKFORCE DEVELOPMENT BOARD**

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**POLICY NO:** 32-19  
**TO:** Service Providers  
**FROM:** Department of Social Services  
**EFFECTIVE:** January 01, 2020  
**SUBJECT:** Conflict of Interest Policy

**REFERENCES:**

- WIOA Public Law 113-128 Sections 107(h) and 121(d)(4)(A)
- Title 20 Code of Federal Regulations (CFR) 679.43
- Title 29 CFR 95.42
- California Political Reform Act, Government Code sections 87100 *et seq*
- San Luis Obispo County, Administrative Policy & Procedures Section 02-100

**PURPOSE:**

The San Luis Obispo Workforce Development Board (WDB) is committed to maintaining the highest ethical conduct standards and guarding against problems arising from real, perceived, or potential conflict of interest. All partners at all levels of participation with San Luis Obispo County Workforce Development, funded by the Workforce Innovation and Opportunity Act (WIOA), are expected to read, understand and apply this policy to ensure system integrity.

**DEFINITIONS:**

Conflict of Interest - Conflict between the official responsibilities and the private interests of a person or entity that is in a position of trust. A conflict of interest would arise when an individual or organization has a financial or other interest in or participates in the selection or award of funding for an organization. Financial or other interest can be established either through ownership or employment.

Immediate Family - Immediate Family consists of the individuals' parents (including step-parents), spouse, domestic partner, children (including step-children), siblings, grandchildren, grandparents, and any relative by marriage (an "in-law")

Individual - (1) an individual; i.e., officer, or agent, or (2) any member of the individual's immediate family (spouse, partner, child, or sibling), or (3) the individual's business partner.

Organization - A for-profit or not-for-profit entity that employs, or has offered a job to, an individual defined above. An entity can be a partnership, association, trust, estate, joint stock company, insurance company, or corporation, whether domestic or foreign, or a sole proprietor.

Nominal Value - For the purposes of this policy, refers to items costing less than \$10.00.

### **BACKGROUND:**

Grantees, subrecipients and contractors funded under WIOA must implement codes of conduct and conflict of interest policies and procedures as stipulated in WIOA law, regulations and guidance; Office of Management and Budget (OMB) Circulars; State regulations; and State WIOA policies. A conflict of interest policy is required to ensure that individuals or representatives of organizations entrusted with public funds will not personally or professionally benefit from the award, administration, or expenditure of such funds.

In addition, the WDB recognizes that by its very composition, conflicts of interest and issues concerning the appearance of fairness may arise. Therefore, it is essential for the WDB members to be sensitive and err on the side of caution when potential or real conflict or fairness matters occur.

### **POLICY:**

No employee, officer or agent shall participate in selection, award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award.

### **PROCEDURE:**

1. Each grant recipient and subrecipient must maintain a written code of standards or conduct governing the performance of persons engaged in the award and administration of WIOA contracts and sub grants.
2. No individual in a decision-making capacity shall engage in any activity if a conflict of interest (real, implied, apparent, or potential) is involved. This includes decisions

involving the selection, award, or administration of a sub grant or contract supported by Workforce Innovation and Opportunity Act (WIOA) or any other federal funds.

3. A WDB member or a member of a WDB committee cannot cast a vote or participate in any decision-making about providing services by such member (or by any organization that member directly represents) or on any matter that would provide any direct financial benefit to the member or to the member's organization.

4. Before any public discussions regarding the release of a Request for Proposal, or any matter regarding the release of funding or the provision of services, a WDB member or a member of a WDB committee must disclose any real, implied, apparent, or potential conflicts of interest before engaging in the discussion. The minutes of the meeting should reflect the disclosure.

5. Officers, employees, or agents of the WDB shall not solicit gratuities, favors, or anything of monetary value from service providers or vendors, independent contractors or other providers of services. Officers, employees, or agents of the WDB and Service Providers will not accept gifts or gratuities from organizations (and their employees) or individuals conducting business with the County or the WDB. This does not prohibit acceptance of gifts of a nominal value, such as flowers, a cup of coffee, pens, mugs or t-shirts given by vendors at trade shows, conferences, demos, etc.

6. Officers, employees, or agents of DSS and service providers violating any provisions of these standards are subject to the administrative, criminal and civil sanctions provided in the California Political Reform Act, Government Code sections 87100 *et seq.*

7. Individuals shall not use for their personal gain, for the gain of others, or for other than officially designated purposes, any information obtained as a result of their committee, board or working relationships with the WDB where that information is not available to the public at large, or divulge such information in advance of the time decided by the WDB for its release.

8. America's Job Center of California (AJCC) one-stop operators must disclose any potential conflicts of interest arising from relationships with training providers and other service providers. [WIOA Section 121 (d)(4)]

9. Any organization that has been selected or otherwise designated to perform more than one function related to WIOA must develop a written plan that clarifies how the organization will carry out its multiple responsibilities while demonstrating compliance with WIOA, corresponding regulations, relevant Office of Management and Budget circulars, and this conflict of interest policy. This plan must limit conflict of interest or the appearance of conflict of interest, minimize fiscal risk, and develop appropriate firewalls within that single entity performing multiple functions. The plan must be agreed to by both the WDB and the County Board of Supervisors.

10. Membership on the WDB, or being a recipient of WIOA funds to provide training or other services, is not itself a violation of conflict of interest provisions of WIOA or corresponding regulations.

Officers, employees, or agents of DSS and Service Providers violating any provisions of these standards are subject to the administrative, criminal and civil sanctions provided in the California Political Reform Act, Government Code sections 87100 *et seq.*

**ACTION:**

All DSS WDB staff and service providers shall comply with this policy. This policy will remain in effect from the date of issue until such time that a revision is required.

**INQUIRIES:**

Any questions regarding this policy may be directed to the DSS WIOA Program Manager at 805-781-1838.

Workforce Development Board (WDB) Approval Required? Yes No X

Initial approval date:       N/A      

WDB revision approval date: \_\_\_\_\_