**Workforce Investment Act Title I-B  
Washington State Policies**

**SECTION C: General Administration**

*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, state requirements in laws and rules (Revised Code of Washington Administrative Code) Office of Financial Management (OFM) policies and the Washington State WIA policies.*

|  |  |
| --- | --- |
| **EFFECTIVE DATE: WIA POLICY NUMBER: SUBJECT:** | November 19, 2001 - Revision 1 3420 Conflict of Interest |

[BACKGROUND](http://www.wa.gov/esd/1stop/policies/documents/archive/3420rev1.htm#BACKGROUND) | [POLICY](http://www.wa.gov/esd/1stop/policies/documents/archive/3420rev1.htm#POLICY) | [DEFINITIONS](http://www.wa.gov/esd/1stop/policies/documents/archive/3420rev1.htm#DEFINITIONS) [REFERENCES](http://www.wa.gov/esd/1stop/policies/documents/archive/3420rev1.htm#REFERENCES) | [SUPERSEDES](http://www.wa.gov/esd/1stop/policies/documents/archive/3420rev1.htm#SUPERSEDES) | [WEBSITE](http://www.wa.gov/esd/1stop/policies/documents/archive/3420rev1.htm#WEBSITE) | [INQUIRIES](http://www.wa.gov/esd/1stop/policies/documents/archive/3420rev1.htm#INQUIRIES)

**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.

**POLICY**

Each Workforce Development Council (WDC) shall have a conflict of interest policy, which at a minimum meets the requirements shown below:

1. Each recipient and subrecipient shall maintain a written code of standards or conduct governing the performance of persons engaged in the award and administration of WIA contracts and subgrants.
2. Each recipient and subrecipient shall ensure that 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.
3. A member of the Workforce Development Council (WDC) shall not cast a vote, 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 the member or to the member’s organization.
4. A conflict of interest under paragraph 2 and 3 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.

1. The officers, employees, or agents of the agencies and members of the WDCs making the awards will neither solicit nor accept gratuities, favors, or anything of monetary value from awardees, potential awardees, or other parties to agreements.
2. Neither membership on the WDC nor the receipt of WIA funds to provide training or other services shall be construed, by itself, to violate provisions of the Act or Regulations.
3. The recipient or subrecipient code of conduct shall contain penalties, sanctions, or other disciplinary actions in accordance with state and local law for violations of the provisions against conflict of interest.

**DEFINITIONS**

"Conflict of Interest" refers to the conflict between the public obligation and the private interests of the persons or entities identified under Paragraph 4.

**REFERENCES**

* Public Law 105-220 Section 111 (f)
* Public Law 105-200 Section 117 (g)
* 20 CFR 667.200 (a)(1) and (4)
* 29 CFR 95.42
* 29 CFR 97.36

**SUPERSEDES**None. This communication is new.

**WEBSITE**<http://www.wa.gov/esd/policies/title1b.htm>

**DIRECT INQUIRIES TO**

Bob Isom   
WorkSource Standards & Integration Division   
Employment Security Department  
P.O. Box 9046 , MS 6000  
Olympia , WA 98507-9046   
E-Mail: [bisom@esd.wa.gov](mailto:BIsom@esd.wa.gov)Telephone: (360) 438-4779  
FAX: (360) 438-3174