




**Local Workforce Innovation And Opportunity Act (WIOA) Policy No. 2017-PL-02**

**To:** All LWIA 7 Board Members  
All Delegate Agency, One-Stop and Sector Center Staff  
All Partnership Staff

**From:**   
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CEO, Chicago Cook Workforce Partnership

**Subject:** CONFLICT OF INTEREST

**Date:** March 30, 2017

**Purpose:** To provide guidance to staff and service providers on the ethical standards surrounding the competitive purchase of goods and services from subrecipients and contractors. Procurement rules are prescriptive and include standards of conduct that can be applied to the award of grants and sub-grants to and by service providers.

**References:**

OMB Uniform Guidance 2 CFR 200.112 and 318

Workforce Innovation and Opportunity Act of 2014, Sec. 101, 102, and 107

**Background:**

This conflict of interest policy ensures that individuals employed by or representatives of organizations entrusted with public funds and their immediate family members will not personally or professionally benefit from the award or expenditure of such funds. This policy provides that each grant recipient and subrecipient must ensure that no individual in a decision-making capacity engages 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 grant, subgrant or contract supported by WIOA funds.

The general procurement standards in §200.318 require non-Federal entities to maintain written standards of conduct covering conflicts of interest, including organizational conflicts of interest. “Organizational conflicts of interest” means that, because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization. The following written standards of conduct shall govern all Board members, officers, and employees of The Partnership, as well as contractors and subrecipients, in carrying out all activities related to the award and administration of contracts.



**POLICY:**

No employee, officer, or agent (“Interested Party”) shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the Interested Party, 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.

Interested parties shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub agreements.

An actual or potential conflict of interest occurs when an Interested Party is in a position to influence a decision that may result in a personal gain for that Interested Party or for a relative as a result of The Partnership's business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the Interested Party is similar to that of persons who are related by blood or marriage.

Interested parties cannot:

- A. Accept a cash gift, or any item or service from anyone who can gain or lose by the actions the Interested Party takes in their job.
- B. Solicit or accept any anonymous gift.
- C. Solicit or accept any gift based on a mutual understanding that their actions will be influenced by the gift.
- D. Solicit or accept anything of value in return for advice or assistance on matters concerning the Organization’s business.

Contractors and other persons seeking Organization business cannot:

- E. Give any gift of cash, an item or service, or its equivalent, regardless of value, to any Interested Party who is in a position to substantially affect their business with the Organization and/or Cook County.
- F. Give an anonymous gift to any Interested Party.
- G. Interested parties should consult the CAO on any uncertainties that may arise under this policy. Failure to abide by the above policy will result in termination.



No "presumption of guilt" is created by the mere existence of a relationship with outside firms, however, if Interested Parties have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to the Chief Administrative Officer of The Partnership as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an Interested Party or relative has a significant ownership in a firm with which The Partnership does business, but also when an Interested Party or relative receives any kickback, bribe, material gift, or any special consideration as a result of any transaction or business dealings involving The Partnership.

Disciplinary actions to be applied for violations of such standards by Interested Parties include all 1) personnel actions, up to and including termination, 2) termination of contracts or 3) expulsion from Board membership as appropriate to the relevant position. Disciplinary action may always include referral to relevant law enforcement officers.

Interested parties have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which The Partnership wishes the business to operate. The purpose of these guidelines is to provide general direction so that Interested Parties can seek further clarification on issues related to the subject of acceptable standards of operation.

**Conclusion:**

It is the responsibility of all parties who participate in the award and administration of Federal funds to ensure that the ethical standards are maintained and followed.

**Action Required:**

This information should be disseminated to all Board, Partnership and subrecipient staff.

**Inquiries:**

All inquiries should be directed to the Chief Administrative Officer/General Counsel of The Partnership.

**Effective Date:**

Immediately upon Board approval.