


| | | | |
|---|------------------------------------|--|-------------|
|  | <i>Effective Date:</i> 11/13/20 | <i>Type:</i> ■ Policy Procedure <i>Function:</i> Governance | Page 1 of 5 |
| | <i>Revised Date:</i> | <i>Section # & Title:</i> 900 Governance | |
| Phoenix Business and Workforce Development Board | <i>Date Approved:</i> 11/12/20 | <i>Subject # & Title:</i> .912 Conflict of Interest/Code of Conduct | |

I. APPLICABILITY/SCOPE

It is the policy and expectation of the Phoenix Business and Workforce Development (PBWD) Board that its Members will fulfill the fiduciary duties applicable to their service as Members of the PBWD Board. Due to the legal and statutory structures of the PBWD Board, it is expected that conflicts of interest will arise, and this policy is intended to provide a framework that will allow the work of the PBWD Board to be achieved without the fact of or appearance of impropriety.

II. PURPOSE

The PBWD Board and all other agencies receiving direct financial assistance through the Workforce Innovation and Opportunity Act (WIOA) in the ARIZONA@WORK City of Phoenix network shall avoid conflict of interest, real or apparent, by observing the requirements outlined in this policy.

III. BACKGROUND

Title IB of the Workforce Innovation and Opportunity Act (WIOA) of 2014, (Pub. L. 113-128); WIOA Final Labor Rule, 20 CFR Subpart B WIOA Local Governance and Subpart C Local Boards Part 601, 651, 652 et al; 2 CFR 200, Uniform Guidance for Federal Financial Assistance describe the requirements for the local workforce development board, including addressing perceived or real conflicts of interest. Workforce Arizona Council Governance Policy #1 provides guidance on conflict of interest for local workforce development boards.

IV. DEFINITIONS

Member - all appointed PBWD Board members, all members of the PBWD Board’s committees and workgroups, and any agent, employee or officer of the PBWD Board, members who represent One Stop Operators, Partners or actual or potential Service Providers.

Appointed Member – PBWD Board member appointed by City of Phoenix Mayor and City Council.


Sub-Recipients - a non-federal entity that receives a subaward of WIOA funds from a pass-through entity to carry out a part of a federal program; but does not include an individual that is a beneficiary of such program.

V. POLICY


A. Conflict of Interest

The following requirements must be adhered to:

1. The fiduciary duties of Members under state law and the WIOA include, without limitation, a continuing responsibility to thoroughly comply with conflicts-of-interest principles.
2. Each Member shall read and sign the Board Member Attestation (Attachment A) denoting that this Conflict of Interest and Code of Conduct Policy has been read, understood, and that the Member pledges to conduct him/herself in accordance with such policies and procedures during their service to the Board. Attachment A, Board Member Attestation shall be completed, returned to the Board Liaison and kept in the Members file.


| | | | |
|---|------------------------------------|--|-------------|
|  | <i>Effective Date:</i> 11/13/20 | <i>Type:</i> ■ Policy Procedure <i>Function:</i> Governance | Page 2 of 5 |
| | <i>Revised Date:</i> | <i>Section # & Title:</i> 900 Governance | |
| Phoenix Business and Workforce Development Board | <i>Date Approved:</i> 11/12/20 | <i>Subject # & Title:</i> .912 Conflict of Interest/Code of Conduct | |

3. Each appointed Member shall read the [City of Phoenix Boards and Commissions Ethics Handbook](#) and sign Appendix D- Board Member Ethics Certification and Acknowledgement, certifying the handbook has been read and understood. Appendix D shall be completed, returned to the Board Liaison and kept in the Members file.
4. No Member shall use his or her position, or the knowledge obtained from his or her position, in such a manner that conflicts with the interest of the PBWD Board or results in personal gain to the Member, or a third party that the Member is employed by, has a fiduciary relationship with, or to whom the Member provides services.
5. Each Member must provide a disclosure of potential conflicts created by his or her position(s) outside of their service to the PBWD Board. Any Member that has, or believes he or she has, a conflict of interest must disclose such potential conflict in accordance with the procedures established by the PBWD Board in this policy and shall do so in writing on the Board Member Attestation form (Attachment A).
6. In accordance with 20 CFR 683.200(c)(5)(i)-(iii):
 - a. PBWD Board Members, PBWD Board committee and workgroup members must neither cast a vote on, 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 that member or that Member's immediate family.
 - b. This policy is not meant to rule out transactions between the PBWD Board and other persons or entities where an interest or a relationship between the Member and such a person or entity exists which require proper disclosure and which are documented as being the outcome of established Procurement Policies, and are determined to be in the best interest of the PBWD Board. Membership on the PBWD Board, or a PBWD Board committee or workgroup, nor the receipt of WIOA funds to provide training and related services, by itself, violates these conflict of interest provisions.
 - c. Sub-Recipients of WIOA funds must disclose in writing any potential conflict of interest to the PBWD Board.
7. In addition to the above-referenced CFR section, the following are deemed conflicts of interest that create a duty of the Member to fully disclose such interest immediately:
 - a. If a Member has a personal financial interest in a proposed transaction involving the PBWD Board.
 - b. If a Member is employed by, or is a Trustee, Director, or Officer of any individual, organization or entity that shall have a financial interest in a proposed transaction involving

| | | | |
|---|------------------------------------|--|-------------|
|  | <i>Effective Date:</i> 11/13/20 | <i>Type:</i> ■ Policy Procedure <i>Function:</i> Governance | Page 3 of 5 |
| | <i>Revised Date:</i> | <i>Section # & Title:</i> 900 Governance | |
| Phoenix Business and Workforce Development Board | <i>Date Approved:</i> 11/12/20 | <i>Subject # & Title:</i> .912 Conflict of Interest/Code of Conduct | |

the PWBD Board.

- c. If a Member represents a third party either through personal, professional, or confidential relationship and such party shall have a financial interest in a proposed transaction involving the PBWD Board.
 - d. No Member shall solicit or accept gratuities or favors from suppliers or potential suppliers, including subcontractors.
 - e. No Member shall participate in the selection, award or administration of a procurement supported by WIOA funds where, to the individual's knowledge, any of the following has a financial or substantial interest in any organization which may be considered for award:
 - i. the officer, employee, agent or PBWD Board Member;
 - ii. any Member of his or her immediate family;
 - iii. his or her partner; or
 - iv. a person or organization which employs, or is about to employ, any of the above.
8. In the event that a PBWD Board Member has an interest, directly or indirectly, in a business entity that would have a direct financial effect due to any official action taken by the PBWD Board, the Member shall declare, before a vote or discussion on the matter, the nature and extent of the interest and shall not vote on the proposed PBWD Board action. A Member shall recuse themselves from the meeting following such declaration. Furthermore, this shall not prohibit the Member from providing factual information about the scope of the Member's conflict in response to direct questions concerning the matter from other Members. The disclosure shall be reflected in the minutes of the meeting of the PBWD Board.
9. If an award of funding is made with Member violating the requirements of this policy, the PBWD Board Executive Leadership Committee is empowered to immediately suspend the award and any related funding obligations; the suspension subject to review at the next regular or special meeting of the PBWD Board. The balance of the Board, excluding the Member(s) with potential conflict, will then determine what final corrective actions the Phoenix Business and Workforce Development Board will take. Corrective actions that the Board could take include, but are not limited to, removal of the Member, suspension of the funding award, termination of the funding award, refunding of any monies previously paid under the award by the award recipient and the Member, or civil action to recover any monetary damages.
10. Nothing in this policy should be construed to prevent any Member's participation in WIOA programs. PBWD Board membership should not result in a sub-recipient receiving any more or any less consideration for trainees. What is important is to ensure that the officer, employee, agent or PBWD Board Member does not approve his/her own training package, or contract for services, but that the system of approval allows for objective determinations.

| | | | |
|---|------------------------------------|--|-------------|
|  | <i>Effective Date:</i> 11/13/20 | <i>Type:</i> ■ Policy Procedure <i>Function:</i> Governance | Page 4 of 5 |
| | <i>Revised Date:</i> | <i>Section # & Title:</i> 900 Governance | |
| Phoenix Business and Workforce Development Board | <i>Date Approved:</i> 11/12/20 | <i>Subject # & Title:</i> .912 Conflict of Interest/Code of Conduct | |

B. Code of Conduct

Policy sections one through four, notated below, are the written set of standards establishing the Code of Conduct for the PBWD Board, it’s committees and workgroups, and governs the performance of its Members:


1. Adherence to the Conflict of Interest requirements previously noted in this policy.
2. Adherence to procurement procedures that serve to minimize the appearance of conflicts, in addition to eliminating actual conflicts.
3. A Member’s employer may not participate in a future bid on procurement where the Member helped to draft specifications. In order to avoid potential conflicts as circumstances change, Members whose employers wish to participate in a future procurement, the Member will refrain from involvement in specification development or procurement processes.
4. A Member shall not become a recipient, directly or indirectly, of any salary payments, loans, gifts, any free service, discounts, or other fees from or on behalf of any person or organization engaged in any transaction with the PBWD Board, except that a disclosed token gift of a value within applicable City of Phoenix and federal allowable maximums may be approved by the Executive Leadership Committee.

VI. POLICY MANAGEMENT REQUIREMENTS

Administrative revisions to the policy may be made by the Phoenix Business and Workforce Development (PBWD) Board Executive Director, with notice to the PBWD Board’s Executive Leadership Committee. All other substantive revisions will go to the PBWD Board’s Executive Leadership Committee for review and recommendation to the PBWD Board for approval.

VII. ATTACHMENTS AND LINKS

1. Attachment A- Board Member Attestation (see below)
2. [Workforce Arizona Council Governance Policy #1](#)
3. [Workforce Arizona Council Conflict of Interest Policy #8](#)
4. City of Phoenix Boards and Commissions Ethics Handbook with Attachment D
https://www.phoenix.gov/citymanagersite/Documents/Ethics/Ethics_Handbook_Boards_Commissions.pdf
5. Arizona Revised Statutes: [Title 38: Public Officers and Employees; Chapter 3: Conduct of Office; Article 8: Conflict of Interest of Officers and Employees; Subsections 38-501 through 38-511.](#)
6. [Phoenix City Code 2-52, City of Phoenix Ethics and Gift Policies; Phoenix City Code Section 2-53, City of Phoenix Ethics Commission; Phoenix City Code Section 2-54, City of Phoenix Non-Discrimination and Anti-Harassment Policy.](#)

| | | | |
|---|------------------------------------|--|-------------|
|  | <i>Effective Date:</i> 11/13/20 | <i>Type:</i> ■ Policy Procedure <i>Function:</i> Governance | Page 5 of 5 |
| | <i>Revised Date:</i> | <i>Section # & Title:</i> 900 Governance | |
| Phoenix Business and Workforce Development Board | <i>Date Approved:</i> 11/12/20 | <i>Subject # & Title:</i> .912 Conflict of Interest/Code of Conduct | |

(ATTACHMENT A)

PHOENIX BUSINESS AND WORKFORCE DEVELOPMENT BOARD

BOARD MEMBER ATTESTATION

I, _____, a Member of the Phoenix Business and Workforce Development Board do hereby attest and affirm that I have read and understand the Conflict of Interest and Code of Conduct Policy.

I also hereby declare and promise to carry out my responsibilities in relation to upholding the Conflict of Interest Policy and Code of Conduct during my term as a Board Member. If any changes to real, apparent or perceived conflicts of interest arise during my term, I acknowledge my responsibility to contact the PBWD Board Liaison to receive a new form and resubmit, within ten business days, this attestation with updated information declared below.

Board Member

Name: _____

Signed: _____

Date: _____

DECLARATION OF REAL, APPARENT OR PERCEIVED CONFLICT OF INTEREST

****Return this page to the PBWD Board Liaison, Christina Edwards at christina.edwards@phoenix.gov**