

**SOUTHWESTERN AREA  
WORKFORCE DEVELOPMENT BOARD**

**CONFLICT OF INTEREST  
POLICY 17-22**

**Date of Issue:** October 16, 2017

**Effective Date:** November 1, 2017

**Background:** A conflict of interest policy is required in order to ensure that individuals or representatives of organizations entrusted with WIOA funds will not personally or professionally benefit from the award or expenditure of such funds. This policy is established for sub-recipients, contractors, staff and board members of the Southwestern Area Workforce Development Board (SAWDB).

**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" means a spouse, children, parents, brothers and sisters. NM Statute 13-1-62. Definition; immediate family.

**Individual:** An employee, officer, board member, SAWDB committee member, sub-recipient, subcontractor or agent of the SAWDB.

**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.

**Partner:** A business associate of an individual, whether an equal participant in a business with the individual, a supervisor or sub-ordinate.

**ACTION**

- A. Before any matter is brought before any committee or the board of the SAWDB for action, individuals who believe they may have a conflict of interest must announce the nature and extent of the conflict of interest or relationship fact to the voting body and excuse themselves from any further discussion and/or vote on the matter in question. Any abstentions will be recorded in the meeting minutes.
- B. Any person that may have a conflict of interest should notify the SAWDB prior to taking office, local board members must provide to the board chair a written declaration of all substantial business interests or relationships they, or their immediate families, have with all businesses or organizations that have received, currently receive or are likely to receive contracts or funding from the SAWDB. Such declarations must be updated annually or within 30 days to reflect any changes in such business interests or relationships. This will be reviewed by the SAWDB Administrative Entity.
- C. The SAWDB is responsible for monitoring the potential conflict of interest and bring it to the board members attention in the event a member does not make a self-declaration.
- D. In order to avoid a conflict of interest, the SAWDB must ensure that the service providers do not employ or otherwise compensate a current or former local board member or local board employee who was employed or compensated by the local board or its administrative entity, fiscal agent, or grant recipient anytime during the previous 12 months.
- E. SAWDB members or their organizations may receive services as a customer of the local service provider or workforce system partner.

To avoid conflict of interest, the SAWDB must ensure that the board members or its administrative staff do **not** directly control the daily activities of its workforce service providers, workforce system partners or contractors.

- F. One- Stop Operators must disclose any potential conflicts of interest arising from relationships with training providers and other service providers.

**INQUIRIES**

Questions related to this policy should be directed to the Administrative Entity at (575) 744-4857.

**ATTESTED**

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SAWDB Chairman

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Date