

# NORTHERN WESTMORELAND CAREER AND TECHNOLOGY CENTER

No. 827

SECTION: OPERATIONS

TITLE: CONFLICT OF INTEREST

ADOPTED: April 20, 2017

REVISED:

## Purpose

This policy shall affirm standards of conduct established to ensure that Joint Operating Committee members and employees avoid potential and actual conflicts of interest, as well as the perception of a conflict of interest.

## Definitions

**Confidential information** shall mean information not obtainable from reviewing a public document or from making inquiry to a publicly available source of information.[\[1\]](#)

**Conflict** or **Conflict of interest** shall mean use by a Joint Operating Committee member or employee of the authority of his/her office or employment, or any confidential information received through his/her holding public office or employment, for the private pecuniary benefit of him/herself, a member of his/her immediate family or a business with which s/he or a member of his/her immediate family is associated. The term does not include an action having a de minimis economic impact, or which affects to the same degree a class consisting of the general public or a subclass consisting of an industry, occupation or other group which includes the Joint Operating Committee member or employee, a member of his/her immediate family or a business with which s/he or a member of his/her immediate family is associated.[\[1\]](#)

**De minimis economic impact** shall mean an economic consequence which has an insignificant effect.[\[1\]](#)

**Financial interest** shall mean any financial interest in a legal entity engaged in business for profit which comprises more than five percent (5%) of the equity of the business or more than five percent (5%) of the assets of the economic interest in indebtedness.[\[1\]](#)

**Honorarium** shall mean payment made in recognition of published works, appearances, speeches and presentations, and which is not intended as consideration for the value of such services which are nonpublic occupational or professional in nature. The term does not include tokens presented or provided which are of de minimis economic impact.[\[1\]](#)

**Immediate family** shall mean a parent, parent-in-law, spouse, child, spouse of a child, brother, brother-in-law, sister, sister-in-law, or the domestic partner of a parent, child, brother or sister.[\[1\]](#)

**Business partner** shall mean a person who, along with another person, plays a significant role in owning, managing, or creating a company in which both individuals have a financial interest in the company.

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### Delegation of Responsibility

Each employee and Joint Operating Committee member shall be responsible to maintain standards of conduct that avoid conflicts of interest. The Joint Operating Committee prohibits members of the Joint Operating Committee and employees from engaging in conduct that constitutes a conflict of interest as outlined in this policy.

### Guidelines

All Joint Operating Committee members and employees shall be provided with a copy of this policy and acknowledge in writing that they have been made aware of it. Additional training shall be provided to designated individuals.

### Disclosure of Financial Interests

No Joint Operating Committee member shall be allowed to take the oath of office or enter or continue upon his/her duties, nor shall s/he receive compensation from public funds, unless s/he has filed a statement of financial interests as required by law.<sup>[2]</sup>

The center solicitor and designated center employees shall file a statement of financial interests as required by law and regulations.<sup>[3][4]</sup>

### Standards of Conduct

The center maintains the following standards of conduct covering conflicts of interest and governing the actions of its employees and Joint Operating Committee members engaged in the selection, award and administration of contracts.<sup>[5]</sup>

No employee or Joint Operating Committee member may participate in the selection, award or administration of a contract supported by a federal award if s/he has a real or apparent conflict of interest as defined above, as well as any other circumstance in which the employee, Joint Operating Committee member, any member of his/her immediate family, his/her business partner, or an organization which employs or is about to employ any of them, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.<sup>[5]</sup>

The center shall not enter into any contract with a Joint Operating Committee member or employee, or his/her spouse or child, or any business in which the person or his/her spouse or child is associated valued at \$500 or more, nor in which the person or spouse or child or business with which associated is a subcontractor unless the Joint Operating Committee has determined it is in the best interests of the center to do so, and the contract has been awarded through an open and public process, including prior public notice and subsequent public disclosure of all proposals considered and contracts awarded. In such a case, the Joint Operating Committee member or employee shall not have any supervisory or overall responsibility for the implementation or administration of the contract.<sup>[1]</sup>

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When advertised formal bidding is not required or used, an open and public process shall include at a minimum:

1. Public notice of the intent to contract for goods or services;
2. A reasonable amount of time for potential contractors to consider whether to offer quotes; and
3. Post-award public disclosure of who made bids or quotes and who was chosen.

Any Joint Operating Committee member or employee who in the discharge of his/her official duties would be required to vote on a matter that would result in a conflict of interest shall abstain from voting and, prior to the vote being taken, publicly announce and disclose the nature of his/her interest as a public record.[\[1\]](#)

No public official or public employee shall accept an honorarium.[\[1\]](#)

Joint Operating Committee members and employees may neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to subcontracts, unless the gift is an unsolicited item of nominal value. Gifts of a nominal value may be accepted in accordance with Joint Operating Committee policy.[\[5\]](#)[\[6\]](#)

### Improper Influence

No person shall offer or give to a Joint Operating Committee member, employee or nominee or candidate for the Joint Operating Committee, or a member of his/her immediate family or a business with which s/he is associated, anything of monetary value, including a gift, loan, political contribution, reward or promise of future employment based on the offeror's or donor's understanding that the vote, official action or judgment of the Joint Operating Committee member, employee or nominee or candidate for the Joint Operating Committee would be influenced thereby.[\[1\]](#)

No Joint Operating Committee member, employee or nominee or candidate for the Joint Operating Committee shall solicit or accept anything of monetary value, including a gift, loan, political contribution, reward or promise of future employment, based on any understanding of that Joint Operating Committee member, employee or nominee or candidate that the vote, official action or judgment of the Joint Operating Committee member, employee or nominee or candidate for the Joint Operating Committee would be influenced thereby.[\[1\]](#)

### Organizational Conflicts

Organizational conflicts of interest may exist when due to the center's relationship with a subsidiary, affiliated or parent organization that is a candidate for award of a contract in connection with federally funded activities, the center may be unable or appear to be unable to be impartial in conducting a procurement action involving a related organization.[\[5\]](#)

In the event of a potential organizational conflict, the potential conflict shall be reviewed by the Administrative Director or designee to determine whether it is likely that the center would be unable or appear to be unable to be impartial in making the award. If such a likelihood exists, this shall not disqualify the related organization; however, the following measures shall be applied:

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1. The organizational relationship shall be disclosed as part of any notices to potential contractors;
2. Any center employees or officials directly involved in the activities of the related organization are excluded from the selection and award process;
3. A competitive bid, quote or other basis of valuation is considered; and
4. The Joint Operating Committee has determined that contracting with the related organization is in the best interests of the program involved.

### Reporting

Any perceived conflict of interest that is detected or suspected by any employee or third party shall be reported to the Administrative Director. If the Administrative Director is the subject of the perceived conflict of interest, the employee or third party shall report the incident to the Joint Operating Committee President.

Any perceived conflict of interest of a Joint Operating Committee member that is detected or suspected by any employee or third party shall be reported to the Joint Operating Committee President. If the Joint Operating Committee President is the subject of the perceived conflict of interest, the employee or third party shall report the incident to the Administrative Director, who shall report the incident to the solicitor.

No reprisals or retaliation shall occur as a result of good faith reports of conflicts of interest.

### Investigation

Investigations based on reports of perceived violations of this policy shall comply with state and federal laws and regulations. No person sharing in the potential conflict of interest being investigated shall be involved in conducting the investigation or reviewing its results.

In the event an investigation determines that a violation of this policy has occurred, the violation shall be reported to the federal awarding agency in accordance with that agency's policies.

### Disciplinary Actions

If an investigation results in a finding that the complaint is factual and constitutes a violation of this policy, the center shall take prompt, corrective action to ensure that such conduct ceases and will not recur. Center staff shall document the corrective action taken and, when not prohibited by law, inform the complainant.

Violations of this policy may result in disciplinary action up to and including discharge, fines and possible imprisonment. Disciplinary actions shall be consistent with Joint Operating Committee policies, procedures, applicable collective bargaining agreements and state and federal laws.[7]

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### Legal

1. 65 Pa. C.S.A. 1101 et seq

2. Pol. 004

3. 51 PA Code 15.2

4. 65 Pa. C.S.A. 1104

5. 2 CFR 200.318

6. Pol. 322

7. Pol. 317

Pol. 011

Pol. 319

Pol. 609

Pol. 702