I. PURPOSE AND SCOPE

To increase transparency for board actions where a conflict of interest may exist between a board, its board members and/or board employees, CareerSource Florida, Inc. (CSF) adopted procedures for approving contracts in which a conflict of interest may exist. This policy establishes criteria and procedures used to address potential conflicts of interest and when appropriate “cure” such conflicts and ensure compliance with Public Law 113-128, Workforce Innovation and Opportunity Act (2014), section 445.007(1) and (11), Florida Statutes, and section 112.3143, Florida Statutes.

CSF and the 24 local workforce development boards (local boards) within the CareerSource Florida network will “cure” conflicts of interest in the execution of contracts by conforming to this conflict of interest policy. No workforce board including CSF and all 24 local boards shall enter into a contract with its own board member(s), with an organization represented by its own board member(s), with board employee(s), member or employees’ relative(s) or with any entity in which board member(s), board employee(s) or relative(s) of either has any relationship with the contracting vendor unless the contract is exempt under this conflict of interest policy.

Before a vote is taken, full disclosure of the conflict must be made to all board members. If the conflict of interest involves a board member or a relative of a board member, that board member must abstain from the vote. After a quorum is established, two-thirds of all board members present must approve the action.
At a board’s discretion, the following may be exempt from the policy described above:

1) Contracts with an “agency” as defined in section 112.312(2), Florida Statutes;

2) Contracts relating to a board member’s appointment to the board under section 101(a)(2), Public Law 113-128, Workforce Innovation and Opportunity Act (2014);

3) Contracts with a board member receiving a grant for workforce services; or

4) Contracts not exempt but in which the board documents exceptional circumstances – all of which is stated in greater detail in the State and Local Workforce Development Board Contracting Conflict of Interest policy.

The scope of this policy applies to CSF, all 24 local boards and all board member related or employee related contracts.

II. BACKGROUND

The CSF Board of Directors adopted the Regional Workforce Development Board Accountability Act: Contract Policy (RWBAA: Contract Policy) by proviso language for Specific Appropriation 2214 of the 2010 General Appropriations Act and the 2010 Appropriations Implementation Bill. The RWBAA: Contract Policy required the Department of Economic Opportunity (DEO) to review and CSF to approve contracts of $25,000 or more to assure the statutory mandate established in s. 445.007(1), Florida Statutes, and the RWBAA: Contract Policy was met. This change prompted adding the definition of “employees” to emphasize those with fiduciary duties pertaining to contracts. This provision required that, after a quorum was established, local board approval by a two-thirds vote of all board members present, abstention from the approval vote by board members with a potential conflict of interest, and disclosure of a board member’s conflict of interest in a manner consistent with definitions and procedures outlined in section 112.3143, Florida Statutes.

Subsequently, CSF voluntarily approved strategic policy applying the contract approval requirements of section 445.007(1), Florida Statutes, including the two-thirds vote approval, to any CSF board member related contract, even though the legislature intended the policy to apply only to local boards. The policy was extended to include board employees and their relatives.

CSF is not required to apply the approval procedures of the CSF contracting policy, sections II-V, to CSF contracts.
III. AUTHORITY

2010-11 Appropriations Implementing Bill

Public Law 113-128, Workforce Innovation and Opportunity Act (2014)

Section 112.3143, Florida Statutes

Sections 445.007(1) and 445.007(11), Florida Statutes

IV. HISTORY

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
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<tbody>
<tr>
<td>05/13/2010</td>
<td>Original COI Contracting policy adopted. Expired July 1, 2011</td>
</tr>
<tr>
<td>08/18/2011</td>
<td>Policy # 2011.08.18.A.1 is adopted</td>
</tr>
<tr>
<td>05/04/2012</td>
<td>Conflict of interest disclosure and supermajority approval applied to CSF conflict of interest contracts.</td>
</tr>
<tr>
<td>05/24/2012</td>
<td>Policy # 2011.08.18.A.1 is superseded by Policy # 2012.05.04.A.2</td>
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<tr>
<td>06/28/2017</td>
<td>Strategic Policy 2010.08.12.A.1 is superseded by 2012.05.24.A.2 amended policy requires the Board Chair or Vice-Chair to sign the form; amended policy combines Conflict of Interest in the Contract form and Contractor Disclosure and Certification into a single form. This will prevent board chairs, vice-chairs or their designees from signing for the individuals which will prevent potential audit issues.</td>
</tr>
<tr>
<td>05/17/2017</td>
<td>Revised copy in plain language; changed Workforce Florida, Inc. (WFI) to CareerSource Florida, Inc. (CSF); changed regions to local workforce development boards (local boards); changed references to Workforce Innovation Act (WIA) to Public Law 113-128, Workforce Innovation and Opportunity Act (2014); consolidated sections to align more closely with DEO administrative policies.</td>
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V. ATTACHMENTS

2010 General Appropriations Act (Chapter Law 2010-152)

2010-11 Appropriations Implementing Bill (Chapter Law 2010-153)

State and Local Workforce Development Board Contracting Conflict of Interest Policy