 NORTH LOS ANGELES COUNTY REGIONAL CENTER	POLICY AND PROCEDURE
	Employee Conflict of Interest
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1. PURPOSE

The purpose of this policy and procedure is to ensure that NLACRC’s employees, contractors, agents and consultants adhere to conflict-of-interest standards and procedures and make decisions relative to the regional center, which are in its best interest. These rules have been outlined in the Welfare and Institutions Code Section 4600 et seq. and The California Code of Regulations Section 54500 et seq. Such decisions shall be made without regard to the personal interests of the employee, contractor, agent or consultant, his or her “family member” or any organization with which they are interested.

2. SCOPE


This policy applies to NLACRC’s employees, contractors, agents or consultants.

3. RESPONSIBILITY


Human Resources, the executive director and NLACRC’s board of trustees have the overall responsibility to ensure that the regional center complies with this policy and procedure. All employees, contractors, agents and consultants of the regional center must ensure that they comply with this policy as outlined below.

4. DEFINITIONS

- 4.1 “Regional Center Employee” means any person who performs services for wages, salary or a fee under a contract of employment, express or implied, with the regional center...a business entity, entity or provider as defined herein is not a regional center employee.” (CCR Section 54505(k).)
- 4.2 “Family member” includes the individual’s spouse, domestic partner, parents, step parents, grandparents, siblings, step-siblings, children, step-children, grandchildren, parents-in-law, brothers-in-law, sisters-in-law, sons-in-law and daughters-in-law. (CCR Section 54505(f)).

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- 4.3 "Potential conflict of interest" means a situation which, based upon circumstances reasonably expected to occur at a point in the future, may result in a conflict of interest, as specified in these regulations. (CCR Section 54505(h).)
- 4.4 "Present conflict of interest," means a conflict of interest, as specified in these regulations, which currently exists. (CCR Section 54505(i).)
- 4.5 "Decision or Policy-Making Authority" means the authority an individual possesses whenever the individual:
- (1) exercises discretion or judgment, without significant intervening substantive review, in making, advising, or recommending a decision or in making a final decision; or
 - (2) may compel a decision or may prevent a decision either by reason of an exclusive power to initiate the decision or by reason of a veto which may or may not be overridden; or
 - (3) makes substantive recommendations which are, and over an extended period of time have been, regularly approved without significant amendment or modification by another person or entity or provider; or
 - (4) votes on matters, obligates or commits his or her entity to any course of action, or enters into, modifies, amends, or renews any contractual agreement on behalf of his or her entity, or has authority to obligate resources; or
 - (5) votes to approve, appoint or ratify, or approves, appoints, ratifies, assigns, elects, selects, designates, names, creates, confirms, contracts or hires any director, trustee, member of the board, member of a board committee, officer, agent, employee, contractor, or consultant for his or her entity or any other business entity or provider.
- Decision or policy-making authority does not include actions of individuals which are solely ministerial, secretarial, or clerical. (CCR Section 54505(d).)
- 4.6 "Business entity, entity or provider" means any individual, business venture, or state or local governmental entity from whom or from which the regional center purchases, obtains, or secures goods or services to conduct its operations.

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These entities or providers include, but are not limited to, residential facilities, intermediate care facilities, skilled nursing facilities, supported and independent living services, hospitals, medical groups, activity centers, housing providers, entities formed in support of the regional center, infant programs, clinics, laboratories, pharmacies, drug stores, ambulance services, furniture stores, equipment and supply stores, physicians, psychologists, nurses, therapists, teachers, social workers, and contract case managers. For purposes of these conflict-of-interest regulations “business entity, entity or provider” does not include a consumer or family member of a consumer who receives vouchers for consumer services.

5. POLICY


5.1. NLACRC employees, contractors, agents or consultants shall not work or serve in a position that creates a conflict of interest. A conflict of interest exists when a regional center employee with decision or policy making authority, or a contractor, agent or consultant with authority to act on behalf of the regional center, or family member of such person is any of the following for a business entity, entity, or provider:

- (1) a governing board member
- (2) a board committee member
- (3) a director
- (4) an officer
- (5) an owner
- (6) a partner
- (7) a shareholder
- (8) a trustee
- (9) an employee
- (10) an agent
- (11) a contractor
- (12) holds any position of management
- (13) has decision or policy-making authority (CCR Section 54526.)

These conflict of interest positions are in addition to the conflicts identified in Welfare and Institutions Code 4626 and 4627.

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- 5.2 A regional center employee, contractor, agent or consultant shall not “make, participate in making or in any way use his or her position to influence a regional center decision in which he or she knows or has reason to know that he or she, or his or her family member, has a financial interest.” (CCR 54527) The term “financial interest” is defined in CCR 54527(b).
- 5.3 Regional center employees, contractors, agents and consultants shall be “guided solely by the interests of the regional center and its consumers and not by their financial interests when participating in the making of contracts in their official capacity,” and shall not be “financially interested in any contract in which they participate in making in their official capacity.” Finally, regional center employees, contractors, agents or consultants shall not make any contract which is financially beneficial to a family member, unless benefits associated with the contract are equally available to regional center consumers or their families generally. (CCR Section 54528 and WIC Sections 4626 and 4627) The term “financially interested” is defined in CCR Section 54528(b)(1).
- 5.4 Regional center employees, contractors, agents and consultants are obligated to “discharge their responsibilities with integrity and fidelity, and are prohibited from placing themselves in a position where their private, personal interests may conflict with their official duties” and must “exercise the powers conferred upon him or her with disinterested skill, zeal, and diligence and for the benefit of the regional center and its consumers.” The employee shall be disqualified from participating in matters where, “a present or potential personal conflict of interest exists as to a particular transaction or decision.” (CCR Section 54529)
- 5.5 A conflict exists where regional center employees, contractors, agents or consultants “participate in the evaluation of an application for employment or bid for position or contract at the regional center that is submitted by a family member of such person.” Further a “potential conflict of interest exists” when a regional center supervisor who is an employee, contractor, agent or consultant acting on behalf of the regional center supervises a family member who is also a regional center employee contractor agent or consultant. (CCR Section 54530)


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6. PROCEDURE

- 6.1 "Each regional center employee, contractor, agent, and consultant who has authority to act on behalf of the regional center or who has decision or policy-making authority," shall complete and file a standard Conflict of Interest Reporting Statement. Conflict of Interest Reporting Statements shall be filed (1) annually by August 1 of each year, (2) within 30 calendar days of assuming a new position, (3) within 30 calendar days of "any change of status that creates a present or potential conflict of interest." (CCR Section 54531)
- 6.2 "The executive director or the acting executive director of the regional center shall review the completed Conflict of Interest Reporting Statement of each regional center employee, contractor, agent, and consultant required to file a Conflict of Interest Reporting Statement within 10 calendar days of receipt of the completed Conflict of Interest Reporting Statement and shall determine whether the statement identifies a present or potential conflict of interest." (CCR Section 54531(e))


7. REPORTING

- 7.1 When the executive director identifies a conflict of interest for a regional center employee, contractor, agent or consultant, the regional center shall submit a copy of the completed Conflict of Interest Reporting Statement and a proposed Conflict Resolution Plan for eliminating or mitigating and managing the present or potential conflict of interest within 30 calendar days of receipt of the completed conflict of interest statement. (CCR Section 54533(b))
- 7.2 When DDS identifies a present or potential conflict of interest of an employee contractor, agent or consultant, it shall notify the regional center executive director of the conflict. The executive director shall submit a copy of the completed Conflict of Interest Reporting Statement and a proposed Conflict Resolution Plan for eliminating or mitigating and managing the present or potential conflict to DDS within 30 calendar days or receipt of DDS's notification. (CCR 54533(c))
- 7.3 The regional center shall post on its website each completed Conflict of Interest Reporting Statement that identifies a present or potential conflict of interest that cannot be resolved within 30 days. The statement shall remain on the website until the conflict has been eliminated. (CCR Section 54533(f))

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8. ENFORCEMENT

- 8.1 The area board, state council and DDS must review and resolve any conflicts of interest. The Conflict Resolution Plan shall be approved, in writing, by the Department, and the Conflict Resolution Plan fully implemented prior to the individual engaging in the otherwise prohibited conduct. (CCR 54534(d))
- 8.2 If an employee, contractor, agent or consultant's Conflict Resolution Plan has been denied by DDS, the individual has 30 calendar days from the date of the receipt of DDS's written denial in which to take the necessary action to eliminate the conflict of interest or resign his or her position. (CCR 54534(g))
- 8.3 DDS may sanction the regional center for violations of the provisions of this article. (CCR Section 54535)

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9. REFERENCES/FORMS

- 9.1 Conflict of Interest Reporting Statement.
- 9.2 Conflict Resolution Plan. The requirements for this plan are further outlined in CCR Section 54533(g).

Reset Form

CONFLICT OF INTEREST REPORTING STATEMENT DS 6016 (Rev. 08/2013)

The duties and responsibilities of your position with the regional center require you to file this Conflict of Interest Reporting Statement. The purpose of this statement is to assist you, the regional center and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties and obligations, and any other financial interests and/or relationships that you may have. In order to be comprehensive, this reporting statement requires you to provide information with respect to your financial interests.

A “conflict of interest” generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Please answer the following questions to the best of your knowledge. If you find a question requires further explanation and/or there is not enough space to thoroughly answer the question, please attach as many additional sheets as necessary, and refer to the question number next to your answer. If the regional center identifies a conflict involving you, it will be required to prepare a conflict resolution plan. Some relevant definitions have been provided in the footnotes to assist you in responding to this statement.

You are required to file this Reporting Statement within 30 days of beginning your employment with the regional center or from the date that you are appointed to the regional center board or advisory committee board. You are then required to file an annual Reporting Statement by August 1st of every year while you remain employed with the regional center or while you are a member of the regional center board or advisory committee board. You must also file a Reporting Statement within 30 days of any change in your status that could result in a conflict of interest. Circumstances that can constitute a change in your status that can require you to file an updated Reporting Statement are described below in footnote one.

A. INFORMATION OF REPORTING INDIVIDUAL

Name: _____ Regional Center: _____

Regional Center Position/Title:

<input type="checkbox"/> Governing Board Member	<input type="checkbox"/> Executive Director
<input type="checkbox"/> Vendor Advisory Committee sitting on Board	<input type="checkbox"/> Employee
<input type="checkbox"/> Contractor	<input type="checkbox"/> Agent
	<input type="checkbox"/> Consultant

Reporting Status:

<input type="checkbox"/> Annual	<input type="checkbox"/> New Appointment (date): _____
<input type="checkbox"/> Change of Status ¹	

If a change in status, date and circumstance of change in status:

1. Please list your job title and describe your job duties at the regional center.

¹ Change of status includes a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, legal commitment, change in regional center position or duties, change in regional center, or change to outside position or duties. See California Code of Regulations, title 17, sections 54531(d) and 54532(d).

- | |
|---|
| <input type="checkbox"/> Governing Board Member |
| <input type="checkbox"/> Vendor Advisory on Board |
| <input type="checkbox"/> Executive Director |
| <input type="checkbox"/> Employee/Other |

2. Do you or a family member² work for any entity or organization that is a regional center provider or contractor?
 yes no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers. If the provider or contractor is a state or local governmental entity, provide the specific name of the state or local governmental entity and describe your job duties at the state or local governmental entity.
3. Do you or a family member own or hold a position³ in an entity or organization that is a regional center provider or contractor? yes no -- If yes, provide the name of the entity or organization, describe what services it provides for the regional center or regional center consumers, and describe your or your family member's financial interest.
4. Are you a regional center advisory committee board member? yes no -- If yes, are you a member of the governing board or owner or employee of an entity or organization that provides services to the regional center or regional center consumers? yes no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers.
5. If you are a regional center advisory committee board member and answered yes to all the questions in Question 4 above, do any of the following apply to you: (a) are you an officer of the regional center board; (b) do you vote on purchasing services from a regional center provider; or (c) do you vote on matters where you might have a financial interest? yes no -- If yes, please explain.

² Family member includes your spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, parent-in-laws, brother-in-laws, sister-in-laws, son-in-laws and daughter-in-laws. See California Code of Regulations, title 17, sections 54505(f).

³ For purposes of this question, hold a position generally means that you or a family member is a director, officer, owner, partner, employee, or shareholder of an entity or organization that is a regional center provider or contractor. For a specific description of positions that create a conflict of interest in a regional center provider or contractor see the California Code of Regulations, title 17, sections 54520 and 54526.

- | |
|--|
| <input type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other |
|--|

6. Do any of the decisions you make when performing your job duties with the regional center have the potential to financially benefit you or a family member⁴? [Note: Governing board members do not have to answer “yes” to this question if the financial benefit would be available to regional center consumers or their families generally].
 yes no -- If yes, please explain.

7. Are you responsible for negotiating, making,⁵ executing or approving contracts on behalf of the regional center? yes no -- If yes, please explain.

8. Do you have a financial interest in any contract⁶ with the regional center? yes no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? yes no -- If yes, please explain.

9. Do any of your family members have a financial interest in any contract with the regional center? yes no
 If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? yes no
 If yes, please explain.

⁴ Generally, a decision can financially benefit you or a family member if the decision can either directly or indirectly cause you or a family member to receive a financial gain or avoid a financial loss. For a specific description of the types of decisions that can result in a financial benefit to you or a family member see the California Code of Regulations, title 17, sections 54522 and 54527.

⁵ California Code of Regulations, title 17, sections 54523(b)(2) and 54528(b)(2) describes the types of conduct which constitute involvement in the making of a contract.

⁶ For purposes of questions 8 and 9, a financial interest in a contract generally means any direct or indirect interest in a contract that can cause you or a family member to receive any sort of financial gain or avoid any sort of financial loss irrespective of the dollar amount. California Code of Regulations, title 17, sections 54523 and 54528 define when financial interests in a contract will occur.

<input type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other

10. Do you evaluate employment applications or contract bids that are submitted by your family member(s)?
 yes no -- If yes, please explain.

11. Your job duties require you to act in the best interests of the regional center and regional center consumers. Do you have any circumstances or other financial interests not already discussed above that would prevent you from acting in the best interests of the regional center or its consumers? yes no -- If yes, please explain.

B. ATTESTATION

I _____ (print name) HEREBY CONFIRM that I have read and understand the regional center's Conflict of Interest Policy and that my responses to the questions in this Conflict of Interest Reporting Statement are complete, true, and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this statement is not accurate or that I have not complied with the regional center's Conflict of Interest Policy or the applicable conflict of interest laws, I will notify the regional center's designated individual immediately. I understand that knowingly providing false information on this Conflict of Interest Reporting Statement shall subject me to a civil penalty in an amount up to fifty thousand dollars (\$50,000) pursuant to Welfare and Institutions Code section 4626.

Signature _____ Date _____

INTERNAL USE ONLY

Date this Statement was received by Reviewer: _____

The reporting individual does does not have a present potential conflict of interest

Signature of Designated Reviewer _____ Date Review Completed _____

