

# **Chapter 5 – Conflict of Interest**

CWSPs and BWQCs must conduct their duties in a fair and transparent manner, including addressing and avoiding conflicts of interest due to potential personal, familial, or organizational gain. Per Subchapter 6 of the Clean Water Service Provider Rule (Conflicts of Interest), each CWSP must adopt a Conflict of Interest Policy covering several specific items.<sup>1</sup> This chapter provides guidance on CWSP and BWQC conflicts of interest.

## **BWQC Voting Conflicts**

A conflict of interest exists when a BWQC member stands to receive a financial benefit from a matter under BWQC discussion, vote, or both, for example, when the BWQC member's organization has proposed a project for advancement, funding, or approval by the BWQC, and the BWQC's action will result in the CWSP funding that BWQC member's organization (whether or not that BWQC member will personally receive funding for work on that project).

A conflict of interest also exists when the BWQC member has a personal or familial interest that may be substantially affected by a project under BWQC discussion, vote, or both, or may benefit personally from the outcome of a decision.

Any BWQC member so conflicted will disclose the potential conflict and recuse themselves from the relevant BWQC discussion and decision. The BWQC member may publicly answer questions about such a project if the BWQC asks.

If a BWQC votes on a slate of projects, where a member is conflicted on one or more of the projects, the member shall be conflicted for the entire slate of projects that is voted on. If the BWQC takes separate votes on each project, such that the outcome of one vote is not contingent upon, or impacted by, the outcome of other votes, then a conflict of interest held by a BWQC member shall only affect the vote or votes to which that conflict pertains.

No BWQC member shall share details of grant applications or project proposals prior to and through BWQC voting on the underlying project in a way that conveys an unfair advantage to any party.

## **BWQC Member Conflict with Former Employment**

A conflict of interest exists if a BWQC member, within one year of the member's departure from a former place of employment, participates in a decision that affects the former place of employment. The BWQC member will disclose the conflict and recuse themselves from the relevant BWQC discussion and decision. If the employment terminated more than one year before the decision making, the BWQC member may choose to recuse if they feel the former employment would cause them to be biased.

## **CWSP Conflicts**

Staff of either the CWSP or of the CWSP host entity shall not respond to a CWSP RFP in an individual capacity (i.e. proposing a project that the staff member would manage outside of their employment working for the CWSP/CWSP host entity). Projects funded by the CWSP shall not be located on property

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<sup>1</sup> See Vermont Environmental Protection Rule 39, Subchapter 6 on Conflicts of Interest.

owned by individuals employed by the CWSP or CWSP host entity, unless the BWQC is expressly notified of this fact in writing, the BWQC expressly acknowledges this notification, and the BWQC explicitly votes to approve the project at this location.

A CWSP putting forward projects to the BWQC that the CWSP plans to manage does not by itself raise a conflict of interest. When a CWSP proposes a project to the BWQC that will be managed by the CWSP, the CWSP shall request that the BWQC consider the potential for bias and determine how to handle scoring of the CWSP-managed project.

### **Disclosure**

All potential conflicts must be disclosed as soon as the conflict is apparent. Disclosure of the conflict should be made on the record during a BWQC meeting and noted in the minutes. CWSPs and their BWQCs may develop additional processes around disclosure as may be appropriate (e.g. discussion with CWSP staff, documentation of reasoning, etc.)