



U.S. DEPARTMENT OF
ENERGY

HANFORD ADVISORY BOARD

CONFLICT OF INTEREST RULES

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U.S. DEPARTMENT OF
ENERGY

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Purpose of this Presentation

- Educate the Board on existing rules applicable to HAB from
 - HAB Operating Ground Rules <http://www.hanford.gov/?page=449>
 - DOE Manual 515.1-1 on the Advisory Committee Management Program
<https://www.directives.doe.gov/directives/current-directives/515.1-DManual-1/view>
 - EM Site Specific Advisory Board Guidance
<http://www.em.doe.gov/pdfs/U.S.%20Department%20of%20Energy%20Environmental%20Management%20Site-Specific%20Advisory%20Board%20Guidance%20Sept.%202011.pdf>
- Inspire enthusiasm for self-policing
- Discuss the draft HAB “recusal plan”
- Work together on answers to questions



In a nutshell and in normal-person-speak, what to watch for

- Don't engage in discussion or contribute to the crafting of advice about something you could benefit from
- If you or your company, organization or agency get or could get money from policy makers adopting HAB's advice, recuse yourself, and do so publicly
- HAB generally does not provide advice that would be advantageous to specific companies or consultants or grant recipients, so continue to be vigilant to ensure it doesn't happen
- Err on the side of recusal –the appearance of conflict results in the appearance of bias



HAB's Operating Ground Rules Key Provisions

XI. CONFLICT OF INTEREST (COI)

- “Board members are prohibited from personally and substantially participating as a Board member in any particular matter in which the Board member or the Board member’s spouse, minor child, general partner, or employee has a financial interest.”
- “If a Board member is aware of a conflict of interest, as defined above, the member shall immediately inform the DDFO and the Board of the interest and shall refrain from participating in discussions and recommendations in which a conflict or potential for conflict of interest exists.”
- Also, follow standard COI principles: don’t use Board membership for private gain; don’t use non-public Board information for private gain (not a problem as everything HAB does is public); don’t use Board membership to coerce gifts/favors from someone; don’t accept gifts from someone doing business with DOE (there are exceptions to this rule, like gifts under \$20 and gifts from friends).

DOE Advisory Board Manual

“Advisory committee members must not participate in particular matters before the committee, such as grants or contracts, that might have a direct and predictable impact on the companies, organizations, or agencies with which they are associated or in which they have a financial interest.” §IV, 6(b)

“Program personnel should plan and distribute meeting agendas prior to the meeting date to avoid consideration of particular matters involving entities with which members are associated or should take care that members are informed of potential impacts of specific matters on such entities so that they can disqualify themselves from participation in these matters.” §IV, 6(c)

So....

Read agendas before meetings and let agency staff or Susan Leckband know you will not be participating in particular discussions

Police yourself – you are in the best position to know whether you or your organization might receive a financial gain if the advice issued by HAB helped move decision makers in that beneficial direction



Rules, Shmules – Why do we care?

- In this time of intense distrust of all types of institutions, disclosure of potential conflicts, actual conflicts, or apparent conflicts demonstrates transparency and helps instill trust in the Board, its analyses and its advice
- Confidence by the Tri-Parties, policy makers and the public that the Board's recommendations are unbiased
- Integrity
- Rules are rules (and sometimes they even make sense)

DOE's Draft Recusal Plan

- A plan will provide guidance for HAB leadership, agency staff and HAB members, reminding us all to think about these issues
- This is a first draft and we welcome thoughts
- Such plans are hard. There are no black and white answers (especially for lawyers) and it's all about applying the above rules to a specific situation
- Should we provide a copy of the plan to HAB – or does that provide TMI (too much information) about who has what interests in what organizations? Privacy of individuals v. transparency?

Sample Excerpt - DOE's Draft Recusal Plan

Name	Seat	Employer	Member May Not Participate in Discussions about these Matters
Susan Leckband	League of Women Voters	CH2MHill Plateau Remediation Co.	HAB consideration of pros/cons of specific bid proposals by CHPRC; transfer of work scope among Hanford contractors (if potentially affected); Hanford workforce pension, benefits or related issues; application of specific technology of which CHPRC has a financial interest.
Harold Heacock and Gary Petersen	TRIDEC	Facilitating organization for the Hanford Economic Transition Partnership by Regional Entities for Economical Development	Issues related to funding of this organization or increasing its work scope.



DRAFT DOE Recusal Plan Restrictions – A Member May Not Participate in Discussions About or Vote On These Types of Matters

- For a DOE contractor employee: HAB consideration of pros/cons of specific bid proposals by that contractor; Hanford workforce pension, benefits or related issues; transfer of work scope among Hanford contractors (if potentially affected); application of specific technology in which that contractor has a financial interest.
- For a consultant: HAB consideration of specific activities the consultant is working on or that might result in new or expanded business for that consultant.
- For a party to litigation with DOE: HAB consideration of matters raised in the lawsuit on which HAB advice might result in a direct and predictable benefit to the litigant.
- For a grantee or potential grantee: HAB advocacy for higher funding for a particular grant or the importance of continuing or establishing such a grant.



Discussion and Questions

- Should the draft recusal plan be released?
- Why are we discussing this now?
- HAB questions