## <u>Colorado Opioid Abatement Council</u> <u>Conflict of Interest and Self-Dealing Policy</u>

#### I. Purpose

This Colorado Opioid Abatement Council ("COAC") Conflict of Interest and Self-Dealing Policy is intended to ensure that the distribution and use of Opioid Funds complies with the requirement, set out in the Colorado Opioids Settlement Memorandum of Understanding dated August 26, 2021 (the "MOU"), that the COAC adopt a formal conflict of interest policy.

## II. Executive Summary

This Policy provides policies, procedures, restrictions, and prohibitions addressing selfdealing (issues involving financial gains) and conflicts of interest (issues involving personal motivations and loyalties). This Policy incorporates statutory requirements that apply to members of the COAC; it remains the individual responsibility of every member of the COAC to comply with any additional statutory requirements.

This Policy is intended to protect the integrity and reputation of COAC members and staff when making decisions, dispersing and using funds, and overseeing the distribution and use of funds by Regional Councils. COAC members that are local government representatives should not vote on distribution of funds to their respective Regions. COAC members that are representatives or employees of non-governmental organizations should not vote on distribution of funds to their respective.

## III. Definitions

- 1) For purposes of this Policy, "family" means:
  - a. COAC member's spouse or partner;
  - b. a COAC member's dependents; or
  - c. any other individual sharing a household and expenses with a COAC member.
- 2) For purposes of this Policy, "financial interest" means an interest held by a COAC member or the member's family which is:
  - a. an ownership interest in a business;
  - b. a creditor interest in an insolvent business;
  - c. employment or prospective employment for which negotiations have begun;
  - d. an ownership interest in real or personal property;
  - e. a loan or other debtor interest;
  - f. a directorship or officership in a business; or
  - g. a personal and material economic interest in a transaction.
- 3) For purposes of this Policy, "personal interest" means any relationship or activity that impairs, or potentially impairs, the ability of a COAC member to make impartial decisions in carrying out COAC business.

As the designated administrative support for the Colorado Opioid Abatement Council, the Opioid Response Unit developed this document on behalf of the COAC. Please email <u>Opioids@coaq.gov</u> if you have any revisions or questions.

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## IV. Applicability

This Policy applies to all members of the COAC.

## V. General Principles

COAC members are expected to demonstrate their commitment to the goals and aims of the COAC when conducting COAC business. Members may not use their positions on the COAC for personal gain or to benefit the COAC member's family or another person or organization at the expense of the COAC or its reputation. Members should be especially sensitive to potential conflicts of interest and appearances of impropriety that may impact the public trust. Members shall disclose any potential conflict(s) to all other members of the COAC and the COAC Administrator prior to the COAC's consideration of a grant, contract, or other distribution of funds.

## Section A: Self-Dealing

No member of the COAC will engage in acts of self-dealing. Examples of self-dealing include, but are not limited to:

- Voting on dispersal of Opioid Funds that satisfy personal pledges of the member or the member's family;
- Using Opioid Funds to pay the member, the member's family, or businesses, for goods, property, or personal services.
- Acquiring or holding an interest in any business or undertaking which the member has reason to believe may be directly and substantially affected to its economic benefit by an official action of the COAC;
- Voting on dispersal of Opioid Funds that are earmarked for the direct benefit of the governmental entity, business or non-profit where the member or the member's family is employed or has personal business; or

Accepting free or reduced cost tickets, seats, or other items of value from grantees or organizations benefitted by dispersing of Opioid Funds, if such special discounts are not available to the general public.

# Section B: Conflicts of Interest

COAC members are statutorily prohibited from performing an "official act" that may have a "direct economic benefit on a business or other undertaking in which such member has a direct or substantial financial interest." *See* § 24-18-108.5, C.R.S. "Official act" includes not only votes and decisions, but also recommendations or "any . . . other action, including inaction, which involves the use of discretionary authority." § 24-18-102, C.R.S. "Business or other undertaking" is broad, and can include individuals carrying on a business, whether or not operated for profit. *Id.* The following situations, while not exhaustive, are illustrative of prohibited conflicts of interest:

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- 1) The COAC member or a family member is or may be a direct recipient of Opioid Funds provided pursuant to the MOU;
- 2) The COAC member or a family member currently is an elected or appointed official, a board member or advisor, or a paid employee or volunteer for an organization that is requesting or receiving Opioid Funds provided pursuant to the MOU; or
- 3) The COAC member or a family member is doing business with, or represents as an elected or appointed official, an entity that is a recipient or applicant for Opioid Funds provided pursuant to the MOU.

#### VI. Procedures

1) Duty to Disclose

In connection with any actual, potential, or perceived conflict of interest, a COAC member or staff must disclose the existence of the conflict, recuse themselves from any official action, and be given the opportunity to disclose all material facts to the COAC. A COAC member is not required to disclose the nature of the conflict if the fact of the conflict is disclosed. If the COAC member believes only a potential or perceived conflict of interest exists and that such conflict does not merit recusal, the member should explain the nature of the conflict to the remaining COAC members who shall vote on whether the subject member should recuse.

- 2) Procedures for Addressing the Conflict of Interest
  - a. After disclosing a conflict of interest, the COAC member shall recuse themselves during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest; and the COAC member shall not attempt to influence any other member of the COAC while a determination is being made.
  - b. Nothing in this Policy shall be construed to prohibit a COAC member from voluntarily recusing themselves from a discussion or decision based on a potential or perceived conflict of interest.
- 3) Violation of the Conflicts of Interest Policy
  - a. If the COAC has reasonable cause to believe a member has failed to disclose an actual or potential conflict of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
  - b. If, after the member's response, and following further investigation and discussion as warranted, the COAC determines that the member has failed to disclose an actual or potential conflict of interest, appropriate corrective action may be taken by the appointing authority and/or the COAC.

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#### 4) Annual Statements –

At the beginning of each calendar year, or any time a new COAC member is appointed, each member of the COAC shall sign a statement which affirms that such person:

- a. Has received a copy of this Policy;
- b. Has indicated that he or she has read and understands this Policy;
- c. Has agreed to comply with this Policy; and
- d. Has agreed to report pursuant to this Policy any conflict that may arise.

## Approval

The Colorado Opioid Abatement Council approved the Conflict of Interest and Self-Dealing Policy via unanimous vote on 2/1/2023.

The Colorado Opioid Abatement Council amended the Conflict of Interest and Self-Dealing Policy via unanimous vote on 5/14/2025.