

2 CFR 200.318 - Conflict of Interest

Conflict of interest policies include standards for procurement, receiving federal awards, and for making subawards. Federal funds, including SLFRF, require all prime recipients as well as subrecipients to have established conflict of interest policies and procedures in place. There are different degrees of conflict that include an actual conflict, a potential conflict, and a perceived conflict. It is important to address all forms of conflict and clearly define the different levels of interests that can be involved in creating a conflict of interest.

Definitions:

1. **Familial Interest**-An individual in a decision-making role that has an Immediate Family Member or someone related by affinity with an interest of any kind that could affect the individual's judgement with respect to transactions such as procurements and grant awards.
 - a. **Immediate Family Member**- Any person related to the individual by blood, marriage, civil union, domestic partnership or adoption. This includes:
 - i. Spouse, and parents thereof;
 - ii. Children, and spouses thereof;
 - iii. Parents, and spouses thereof;
 - iv. Grandparents and grandchildren, and spouses thereof;
 - v. Siblings, and spouses thereof;
 - vi. Domestic partner, and parents thereof;
 - vii. Any individual related by blood or affinity whose close association is the equivalent of a family relationship
2. **Personal Interest**-Includes direct or indirect interests such as a financial interest, current or potential employment/consultant/officer, former employment/consultant/officer, gifts or gratuities (actual or promised), and preparing or participating in the development of the application whether paid or unpaid.



Types of Conflict Definitions per [State Controller Policy - Procurement Conflict of Interest](#):

1. **Actual Individual Conflict of Interest.** A situation where a financial, personal, or familial interest materially affects the Worker's duties to put the interest of the state first and compromises a Worker's objectivity, professional judgment, professional integrity, and/or ability to perform his or her duties.
2. **Potential Individual Conflict of Interest.** A situation where a financial, personal, or familial interest could materially affect the Worker's duties to put the interest of the state first and may compromise a Worker's objectivity, professional judgment, professional integrity, and/or ability to perform his or her duties.
3. **Perceived or Apparent Conflict of Interest.** A situation where a financial, personal, or familial interest appears that could materially affect the workers duties to put the interest of the state first and may appear to compromise a Worker's objectivity, professional judgment, professional integrity, and/or ability to perform his or her duties, even if no conflict of interest exists.
4. **Organizational Conflict of Interest.** Organizational Conflict of Interest arises when an organization that receives funds from the State of Colorado, carries out part of a federal or state program as a Subrecipient, has a parent, affiliate, or subsidiary organization, and is unable or potentially unable to be impartial in conducting a procurement action involving a related organization. Impartiality may be either a positive or negative bias toward the related entity.

Any conflicts should be declared up front prior to involvement in a decision-making process. If a conflict, potential conflict or perceived conflict of interest arises immediate notification should occur and the individual should recuse themselves of any decision-making role in the procurement or grant award process. For record keeping purposes, it is important that all individuals involved in the decision making process sign a statement regarding conflicts prior to engaging in the process (see below.) A recusal may include the entire process, or solely decisions related to one individual entity. It is important to remember that a perceived conflict can be as detrimental to the state as an actual conflict and can call into question the legitimacy of the entire process. A final consideration should include the ability or hindrance in remaining impartial during a decision making process. Impartiality may be either a positive or negative bias toward the related entity.

For additional information and examples, see the [Conflict of Interest Technical Guidance](#).



Sample Conflict of Interest Form

Agency/Division:_____ Date:_____

I, the undersigned, a participant in the procurement/grant award process being conducted by the (Name of agency), will perform under the guidelines, procedures and requirements of the State of Colorado ("State") as a fair and impartial participant. This statement covers the entire duration of the above named solicitation, from development through award, in any capacity of my involvement. I confirm that I have no conflicts of interest with the solicitation process, its outcome or with any related processes.

Further, I represent as follows:

1. I have a professional interest that the procurement process can be supported and defended, and that the process will lead to the solution that is most advantageous to the State.
2. I promise to provide my input, as requested, in an independent, impartial and responsive manner. I understand that all group members are equal members. I promise not to use my position to unduly influence any other participants in the procurement process.
3. I understand that as a participant in this process I may have access to information and/or records which shall not be distributed, sold or shared with any third party or used in any manner.
4. I promise not to discuss or otherwise disclose the content of my review or nature and/or content of deliberations of the group in a public forum, with vendors/applicants, and/or to any person outside the group with the exception of internal agency staff.
5. I have disclosed the nature and extent of any financial interests (direct or indirect) in any potential or actual outcome.
6. I have not and will not participate in the development or modification of proposals in response to or related to this solicitation or the resulting award/contract.
7. I have read the State of Colorado Procurement Conflicts of Interest Policy and Technical Guidance documents and affirm I have no actual, potential or perceived conflicts of interests.

If I should become aware of any situation, which might arise, that could alter any of the representations above, or that might otherwise create the appearance of a conflict or other impropriety, I will notify the agency staff immediately.

Signature:_____ Date:_____