

AGENDA
COLONIAL BEHAVIORAL HEALTH
BOARD OF DIRECTORS
OCTOBER 7, 2025
3:00 PM

- **Welcome and Call to Order**
- **Roll Call**
- **Public Comment**
- **Consent Calendar**
 - Approval of the following meeting minutes:
 - September 2, 2025, Board of Directors Meeting
 - September 15, 2025, Executive Committee Meeting
- **Board Training**
 - Conflict of Interest *(Coe, Obremski)*
- **Information/Discussion**
 - Establishment of CCSI/CBH Leases *(Coe, Obremski)*
 - Health Insurance MOA w/York County *(S. Goodwin)*
 - No Show/Late Cancellation Fee *(Obremski, Parsons)*
 - Strategic Plan Update *(K. Cook)*
- **Action Items**
 - A-1 Approval – Health Insurance MOA w/ York County *(Coe, Thomas)*
 - A-2 Approval – CBH Temporary Office Space *(M. Obremski)*
 - A-3 Approval – Fundraising Initiative *(K. Cook)*
- **Reports**
 - Executive Director’s Report *(Coe, Obremski)*
- **Adjournment**

Next Meeting:

Tuesday, November 4, 2025
McLaws Circle, Williamsburg
3:00 PM

COLONIAL BEHAVIORAL HEALTH BOARD MEETING

DATE: September 2, 2025

LOCATION: Colonial Behavioral Health, 473 McLaws Circle, Williamsburg, VA 23185

WELCOME AND CALL TO ORDER: 3:00pm

BOARD MEMBERS PRESENT:

Mr. Ryan Ashe – James City County
Mr. Tarun Chandrasekar - Williamsburg
Mr. John Collins – York County
Ms. Lynette Diaz – James City County
Mr. Sean Dunn – Williamsburg
Dr. Dawn Ide – City of Poquoson
Mr. Bruce Keener – York County
Mr. Steven Miller – York County (Remote)
Ms. Kristen Nelson – York County
Ms. Amber Richey – York County
Ms. April Thomas – York County
Ms. Donyale Wells – James City County
Mr. Roy Witham – James City County

BOARD MEMBERS ABSENT:

Dr. John Shaner – City of Poquoson

CBH STAFF PRESENT:

David Coe, Kristy Wallace, Katie Leuci, Kyra Cook, Linda Butler, Patty Hartigan, Nancy Parsons, Denise Kirschbaum, and Chaenn Thomas

GUESTS: Susan Goodwin

PUBLIC COMMENT: None

CONSENT CALENDAR:

The consent calendar was presented for approval of the following meeting minutes:

- July 25, 2025, Board of Directors Meeting

- August 19, 2025, Executive Committee Meeting
- Board Resolution Honoring Former Member Wendy Evans
- Board Resolution Honoring Former Member Erin Otis

John Collins made a motion to accept the consent agenda as presented. Bruce Keener seconded the motion; all were in favor.

INFORMATION/DISCUSSION:

Fiscal Year 2026 Board Committee Assignments (*R. Ashe*)

Ryan Ashe presented the CBH Board Committees FY 2026 (Executive Committee, Services & Evaluation Committee, and Public Awareness Committee).

Fundraising and Capital Construction Timelines (*K. Cook*)

Fundraising is a brand-new concept for CBH which will involve culture change for our agency although Leadership feels there would be benefits to raising funds on our own for the future CBH campus. Williamsburg Community Foundation has offered to hold funds received and we have created a “make a donation” button on our website. The Executive Committee agreed to dive deep into the requirements and logistics; it has been suggested that we aim for a mid-size capital campaign, focusing on individual donors (we are also seeking funding from donors, localities, grants (government and private). Behavioral Health is an untapped area in our community.

CBH proposed a fundraising position to manage the capital campaign. The position would be fully funded through CBH reserves (average \$91k/year, 2–3-year position). A suggestion was made to hire 2-3 PT staff instead of 1 FTE. Leadership has asked the Board to decide by November; the sooner we post the position, the better with hopes of filling the position by January 2026. CBH is starting with the tactic – we want the “fundraising position” to come up with the plan. The presentation can be found in the September 2025 Board Meeting Packet.

Board of Directors’ SharePoint Site (*K. Leuci*)

Katie presented an instructional document on the Board of Directors’ SharePoint Site which will house CBH policies that require Board approval. The site can be accessed through the link found on the electronic copy and Board members will use their CBH credentials to log in. This site will be updated constantly and may house additional information in the future that is pertinent to the Board.

ACTION ITEMS:

A-1 Approval – Financial Management Policies (*N. Parsons*)

Nancy presented the Financial Policy Revision which incorporates recommendations from Brown/Edwards, items contained in JCC policies and clarification suggested by CBH staff. An additional suggested change was made during the Board meeting.

Bruce Keener made a motion to approve the revisions (and one additional suggestion) to the CBH Financial Management Policy as presented. John Collins seconded this motion; all were in favor.

A-2 Approval – FY 2026 Operating Budget Revision (*N. Parsons*)

CBH received an additional \$2.3m in funding resulting in a revision to our FY 2026 budget. The largest amount (\$600k) was received for Marcus Alert, which will be used for 3 additional staff positions, to upgrade the CAD system and to provide staff training.

The Executive Committee made a motion that the CBH Board approves the proposed FY 2026 Budget Revision as presented. Bruce Keener accepted the motion; John Collins seconded the motion; all were in favor.

REPORTS:

Executive Director's Report (*D. Coe*)

Agency Issues

Building 1 (Merrimac Campus) update – we are experiencing delays on material delivery. DBHDS approved our request for an additional \$521k to complete construction/equipping the CSW.

Congressman Rob Wittman reported that our request for \$2m in Federal funds has been included in the House Appropriations budget.

Community Issues

The CSW Groundbreaking event is scheduled at 9:30am on September 10th, with Governor Youngkin delivering the keynote address.

Public Policy

DMAS and DBHDS are “sunsetting” and redesigning several services for the SMI population. A presentation is planned for November.

VACSB is working to develop a proposal that will qualify VA CSBs to become CCBHCs (Certified Community Behavioral Health Clinics) with significant implications locally and for our system. A presentation is planned for December.

CLOSED SESSION:

Bruce Keener made the following motion to move to a closed session: I motion that the CBH Board convene a closed meeting as permitted under the Code of Virginia as follows: Discussion or consideration of medical and mental health records of individuals pursuant to Virginia Code Section 2.2-3711(A)(16) for the purpose of appointment(s) to the CBH Advisory Council. John Collins seconded this motion.

Bruce Keener made a motion to conclude the closed session. John Collins seconded the motion, which was unanimously approved. Board members were individually polled immediately coming out of the closed session to certify that only those matters covered in the motion for closed session were discussed.

A-3 Approval – Appointment to Advisory Council (*D. Coe*)

Recruitment efforts are ongoing for the Advisory Council, with a target of 5-10 active members in place. We currently only have two (2) members, with a third individual being nominated at this time.

John Collins made a motion that the CBH Board of Directors appoint Melissa Backus to the CBH Advisory Council. Amber Richey seconded this motion; all were in favor.

ADJOURNMENT:

A motion to adjourn the meeting was made by Roy Witham and seconded by Bruce Keener. The meeting was adjourned at 4:53pm.

NEXT MEETING:

Date: Tuesday, October 7, 2025

Location: 473 McLaws Circle, Williamsburg, VA 23185

Time: 3:00pm

Ryan Ashe, Chair

Amber Richey, Secretary

COLONIAL BEHAVIORAL HEALTH

EXECUTIVE COMMITTEE MEETING

473 McLaws Circle, Williamsburg

September 15, 2025, at 2:00pm

Call to Order

The Executive Committee Meeting was called to order at 2:00pm.

Roll Call

Committee Members Present:

Ryan Ashe, Bruce Keener, John Collins, Amber Richey

Committee Members Absent:

Donyale Wells

CBH Staff Present:

Kyra Cook, Marsha Obremski, Nancy Parsons, Chaenn Thomas, Kristy Wallace

Members of the Public:

Susan Goodwin – County of York

UPDATES

Recruitment/Hiring/Turnover Update (*Chaenn*)

August 12, 2025 – September 10, 2025: CBH is actively recruiting for: 23 full-time, 3 part-time, and 4 PRN/WAR positions. CBH has had 3 additional hires (1 onboarded, and 2 scheduled for onboarding) since the last reporting period. The agency has experienced 8 employment separations (6 full-time and 2 PRN/WAR and 1 retirement).

August 2025 Financial Report (*Nancy*)

Nancy reviewed the Financial Report as of 8/31/2025. The amount of fees collected is increasing. Our cash is a little down, although this is normal – ebbs and flows. The revised budget will be provided next month since it was voted/approved on September 2nd.

ANTICIPATED ACTION ITEMS – 10/7 BOARD MEETING

MOU with York County – Health Insurance (*Susan Goodwin*)

York County is the fiscal agent for CBH; CBH is a participant in the same health and dental benefit plans. As of January 1, 2025, YC began segregating YC and CBH claims and administrative fees. According to data collected January – April 2025, YC was subsidizing CBH in the amount of \$122,000. Beginning July 1, 2025, YC will begin charging CBH for its portion of employee health and dental benefits, calculated on the prior year's costs. Depending on the year/claims, each entity could be negative (must pay) or positive (place funds in account for future). CBH would not have to pay for this until FY27. This is currently an unbudgeted expense for CBH but will be part of future operating budgets. CBH will bring this to our October Board meeting. Susan also noted that there will be a small increase (possibly 4%) in insurance premiums for the new year.

NEXT STEP: Marsha will send agreement to Pat McDermott for review prior to CBH's October Board meeting.

Facility Go/No Go Timeline and Fundraising Initiative (Kyra)

Kyra presented a memo for inclusion in the board packet and possible board action. The memo addressed by board members at their last meeting, including one FT or more PT positions and whether future funding would be part of the operating budget. The request is for an amount "up to" \$95k from unrestricted reserves and may or may not be needed depending on grant and earned revenue for the remainder of the fiscal year. The committee agreed to bring to the memo to the next Board meeting.

No Show/Late Cancellation Fee (Marsha)

Leadership created a collections workgroup to explore strategies to improve window collections and reduce no show/late cancellations. The workgroup is recommending that we reinstate the no show/late cancellation fee effective January 1, 2026, and that the fee be increased to \$25.00. Notice of the reinstatement of the fee will be posted for 90 days (October 1 – December 31) prior to implementation. This reinstatement would constitute a "line item" revision to the CBH Financial Management Policy.

Consensus: Move forward, bring to the entire CBH Board of Directors.

DISCUSSION

Board Training – especially FOIA and Conflict of Interest topics (Marsha)

Conflict of Interest training will take place at the beginning of our October Board Meeting.

FOIA training will take place at the beginning of our November Board Meeting.

We will add Bruce and Kyra's piece of training as an additional topic in future meetings.

NEXT STEP: Kyra will reach out to Meghan to see if November 3rd works for her schedule.

CCSI/CBH Lease Agreements (Marsha)

CBH does not have lease agreements in place with CCSI (CBH's land holding nonprofit entity) with existing buildings. In the beginning, CSB's weren't allowed to own property which is why CCSI owns the properties and rents them to CBH. CBH would like to have leases in place by January 1, 2026. During the first year, our CBH would pay 20% of fair market value and increase to 100% over five plus years. After the CSW opens, it will pay 100% of fair market value rent. Having leases in place is moving in the right direction with CCBHC and will be an advantage when we sell properties.

Need for Additional Temporary Office Space (Marsha)

CBH is out of extra space (problem for existing staff and future staff that will be hired and trained prior to the opening of our CSW). The funding for the temporary lease will be covered with one-time crisis dollars. The temporary space will allow room for mobile crisis and emergency services (open floor concept for training purposes). CBH will begin searching for suitable office space and we will keep the Board updated as plans are finalized.

ADDITIONAL ITEMS – OCTOBER FULL BOARD MEETING

Executive Director's Report

Items from the Committee

Ryan Ashe discussed meeting flow and asked for feedback regarding how best to use every board member's time most effectively.

Adjournment

John Collins made a motion to adjourn the meeting at 3:36pm. Bruce Keener seconded this motion; all were in favor.

NEXT MEETING

Monday, October 20, 2025

2:00pm

473 McLaws Circle, Williamsburg, VA 23185

Code of Virginia

State and Local Government Conflict of Interests Act

§ 2.2-3100. Policy; application; construction

The General Assembly, recognizing that our system of representative government is dependent in part upon (i) citizen legislative members representing fully the public in the legislative process and (ii) its citizens maintaining the highest trust in their public officers and employees, finds and declares that the citizens are entitled to be assured that the judgment of public officers and employees will be guided by a law that defines and prohibits inappropriate conflicts and requires disclosure of economic interests. To that end and for the purpose of establishing a single body of law applicable to all state and local government officers and employees on the subject of conflict of interests, the General Assembly enacts this State and Local Government Conflict of Interests Act so that the standards of conduct for such officers and employees may be uniform throughout the Commonwealth.

This chapter shall supersede all general and special acts and charter provisions which purport to deal with matters covered by this chapter except that the provisions of §§ [15.2-852](#), [15.2-2287](#), [15.2-2287.1](#), and [15.2-2289](#) and ordinances adopted pursuant thereto shall remain in force and effect. The provisions of this chapter shall be supplemented but not superseded by the provisions on ethics in public contracting in Article 6 (§ [2.2-4367](#) et seq.) of Chapter 43 of this title and ordinances adopted pursuant to § [2.2-3104.2](#) regulating receipt of gifts.

The provisions of this chapter do not preclude prosecution for any violation of any criminal law of the Commonwealth, including Articles 2 (Bribery and Related Offenses, § [18.2-438](#) et seq.) and 3 (Bribery of Public Servants and Party Officials, § [18.2-446](#) et seq.) of Chapter 10 of Title 18.2, and do not constitute a defense to any prosecution for such a violation.

This chapter shall be liberally construed to accomplish its purpose.

1987, Sp. Sess., c. 1, § 2.1-639.1; 1990, c. 672; 2001, c. [844](#); 2003, c. [694](#); 2008, c. [532](#); 2014, cc. [792](#), [804](#).

§ 2.2-3100.1. Copy of chapter; review by officers and employees

Any person required to file a disclosure statement of personal interests pursuant to subsections A or B of § [2.2-3114](#), subsections A or B of § [2.2-3115](#) or § [2.2-3116](#) shall be furnished by the public body's administrator a copy of this chapter within two weeks following the person's election, reelection, employment, appointment or reappointment.

All officers and employees shall read and familiarize themselves with the provisions of this chapter.

2004, cc. [134](#), [392](#).

§ 2.2-3101. Definitions

As used in this chapter, unless the context requires a different meaning:

"Advisory agency" means any board, commission, committee or post which does not exercise any sovereign power or duty, but is appointed by a governmental agency or officer or is created by law for the purpose of making studies or recommendations, or advising or consulting with a governmental agency.

"Affiliated business entity relationship" means a relationship, other than a parent-subsidary relationship, that exists when (i) one business entity has a controlling ownership interest in the other business entity, (ii) a controlling owner in one entity is also a controlling owner in the other entity, or (iii) there is shared management or control between the business entities. Factors that

may be considered in determining the existence of an affiliated business entity relationship include that the same person or substantially the same person owns or manages the two entities, there are common or commingled funds or assets, the business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis, or there is otherwise a close working relationship between the entities.

"Business" means a corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, trust or foundation, or any other individual or entity carrying on a business or profession, whether or not for profit.

"Candidate" means a person who seeks or campaigns for an office of the Commonwealth or one of its governmental units in a general, primary, or special election and who is qualified to have his name placed on the ballot for the office. The candidate shall become subject to the provisions of this chapter upon the filing of a statement of qualification pursuant to § [24.2-501](#). The State Board of Elections or general registrar shall notify each such candidate of the provisions of this chapter. Notification made by the general registrar shall consist of information developed by the State Board of Elections.

"Contract" means any agreement to which a governmental agency is a party, or any agreement on behalf of a governmental agency that involves the payment of money appropriated by the General Assembly or a political subdivision, whether or not such agreement is executed in the name of the Commonwealth, or some political subdivision thereof. "Contract" includes a subcontract only when the contract of which it is a part is with the officer's or employee's own governmental agency.

"Council" means the Virginia Conflict of Interest and Ethics Advisory Council established in § [30-355](#).

"Employee" means all persons employed by a governmental or advisory agency, unless otherwise limited by the context of its use.

"Financial institution" means any bank, trust company, savings institution, industrial loan association, consumer finance company, credit union, broker-dealer as defined in subsection A of § [13.1-501](#), or investment company or advisor registered under the federal Investment Advisors Act or Investment Company Act of 1940.

"Gift" means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. It includes services as well as gifts of transportation, local travel, lodgings and meals, whether provided in-kind, by purchase of a ticket, payment in advance or reimbursement after the expense has been incurred.

"Gift" does not include (i) any offer of a ticket, coupon, or other admission or pass unless the ticket, coupon, admission, or pass is used; (ii) honorary degrees; (iii) any athletic, merit, or need-based scholarship or any other financial aid awarded by a public or private school, institution of higher education, or other educational program pursuant to such school, institution, or program's financial aid standards and procedures applicable to the general public; (iv) a campaign contribution properly received and reported pursuant to Chapter 9.3 (§ [24.2-945](#) et seq.) of Title 24.2; (v) any gift related to the private profession or occupation or volunteer service of an officer or employee or of a member of his immediate family; (vi) food or beverages consumed while attending an event at which the filer is performing official duties related to his public service; (vii) food and beverages received at or registration or attendance fees waived for any event at which the filer is a featured speaker, presenter, or lecturer; (viii) unsolicited awards of appreciation or recognition in the form of a plaque, trophy, wall memento, or similar item that is given in recognition of public,

civic, charitable, or professional service; (ix) a devise or inheritance; (x) travel disclosed pursuant to the Campaign Finance Disclosure Act (§ [24.2-945](#) et seq.); (xi) travel paid for or provided by the government of the United States, any of its territories, or any state or any political subdivision of such state; (xii) travel provided to facilitate attendance by a legislator at a regular or special session of the General Assembly, a meeting of a legislative committee or commission, or a national conference where attendance is approved by the House Committee on Rules or its Chairman or the Senate Committee on Rules or its Chairman; (xiii) travel related to an official meeting of, or any meal provided for attendance at such meeting by, the Commonwealth, its political subdivisions, or any board, commission, authority, or other entity, or any charitable organization established pursuant to § 501(c)(3) of the Internal Revenue Code affiliated with such entity, to which such person has been appointed or elected or is a member by virtue of his office or employment; (xiv) gifts with a value of less than \$20; (xv) attendance at a reception or similar function where food, such as hors d'oeuvres, and beverages that can be conveniently consumed by a person while standing or walking are offered; (xvi) tickets or the registration or admission fees to an event that are provided by an agency to its own officers or employees for the purposes of performing official duties related to their public service; or (xvii) gifts from relatives or personal friends. For the purpose of this definition, "relative" means the donee's spouse, child, uncle, aunt, niece, nephew, or first cousin; a person to whom the donee is engaged to be married; the donee's or his spouse's parent, grandparent, grandchild, brother, sister, step-parent, step-grandparent, step-grandchild, step-brother, or step-sister; or the donee's brother's or sister's spouse or the donee's son-in-law or daughter-in-law.

For the purpose of this definition, "personal friend" does not include any person that the filer knows or has reason to know is (a) a lobbyist registered pursuant to Article 3 (§ [2.2-418](#) et seq.) of Chapter 4 of Title 2.2; (b) a lobbyist's principal as defined in § [2.2-419](#); (c) for an officer or employee of a local governmental or advisory agency, a person, organization, or business who is a party to or is seeking to become a party to a contract with the local agency of which he is an officer or an employee; or (d) for an officer or employee of a state governmental or advisory agency, a person, organization, or business who is a party to or is seeking to become a party to a contract with the Commonwealth.

For purposes of this definition, "person, organization, or business" includes individuals who are officers, directors, or owners of or who have a controlling ownership interest in such organization or business.

"Governmental agency" means each component part of the legislative, executive or judicial branches of state and local government, including each office, department, authority, post, commission, committee, and each institution or board created by law to exercise some regulatory or sovereign power or duty as distinguished from purely advisory powers or duties. Corporations organized or controlled by the Virginia Retirement System are "governmental agencies" for purposes of this chapter.

"Immediate family" means (i) a spouse and (ii) any other person who resides in the same household as the officer or employee and who is a dependent of the officer or employee.

"Officer" means any person appointed or elected to any governmental or advisory agency including local school boards, whether or not he receives compensation or other emolument of office. Unless the context requires otherwise, "officer" includes members of the judiciary.

"Parent-subsidary relationship" means a relationship that exists when one corporation directly or indirectly owns shares possessing more than 50 percent of the voting power of another corporation.

"Personal interest" means a financial benefit or liability accruing to an officer or employee or to a member of his immediate family. Such interest shall exist by reason of (i) ownership in a business if the ownership interest exceeds three percent of the total equity of the business; (ii) annual income that exceeds, or may reasonably be anticipated to exceed, \$5,000 from ownership in real or personal property or a business; (iii) salary, other compensation, fringe benefits, or benefits from the use of property, or any combination thereof, paid or provided by a business or governmental agency that exceeds, or may reasonably be anticipated to exceed, \$5,000 annually; (iv) ownership of real or personal property if the interest exceeds \$5,000 in value and excluding ownership in a business, income, or salary, other compensation, fringe benefits or benefits from the use of property; (v) personal liability incurred or assumed on behalf of a business if the liability exceeds three percent of the asset value of the business; or (vi) an option for ownership of a business or real or personal property if the ownership interest will consist of clause (i) or (iv).

"Personal interest in a contract" means a personal interest that an officer or employee has in a contract with a governmental agency, whether due to his being a party to the contract or due to a personal interest in a business that is a party to the contract.

"Personal interest in a transaction" means a personal interest of an officer or employee in any matter considered by his agency. Such personal interest exists when an officer or employee or a member of his immediate family has a personal interest in property or a business or governmental agency, or represents or provides services to any individual or business and such property, business or represented or served individual or business (i) is the subject of the transaction or (ii) may realize a reasonably foreseeable direct or indirect benefit or detriment as a result of the action of the agency considering the transaction. Notwithstanding the above, such personal interest in a transaction shall not be deemed to exist where (a) an elected member of a local governing body serves without remuneration as a member of the board of trustees of a not-for-profit entity and such elected member or member of his immediate family has no personal interest related to the not-for-profit entity or (b) an officer, employee, or elected member of a local governing body is appointed by such local governing body to serve on a governmental agency, or an officer, employee, or elected member of a separate local governmental agency formed by a local governing body is appointed to serve on a governmental agency, and the personal interest in the transaction of the governmental agency is the result of the salary, other compensation, fringe benefits, or benefits provided by the local governing body or the separate governmental agency to the officer, employee, elected member, or member of his immediate family.

"State and local government officers and employees" shall not include members of the General Assembly.

"State filer" means those officers and employees required to file a disclosure statement of their personal interests pursuant to subsection A or B of [§ 2.2-3114](#).

"Transaction" means any matter considered by any governmental or advisory agency, whether in a committee, subcommittee, or other entity of that agency or before the agency itself, on which official action is taken or contemplated.

1987, Sp. Sess., c. 1, § 2.1-639.2; 1988, c. 536; 1992, c. 865; 1993, c. 303; 1994, cc. [74](#), [724](#); 1995, c. [495](#); 1996, c. [77](#); 1997, c. [641](#); 2001, c. [844](#); 2003, c. [694](#); 2004, cc. [134](#), [392](#); 2012, cc. [345](#), [771](#); 2013, c. [475](#); 2014, cc. [792](#), [804](#); 2015, cc. [763](#), [777](#); 2016, cc. [773](#), [774](#); 2017, cc. [829](#), [832](#); 2022, cc. [528](#), [529](#).

§ 2.2-3102. Application

This article applies to generally prohibited conduct that shall be unlawful and to state and local government officers and employees.

1987, Sp. Sess., c. 1, § 2.1-639.3; 2001, c. [844](#).

§ 2.2-3103. Prohibited conduct

No officer or employee of a state or local governmental or advisory agency shall:

1. Solicit or accept money or other thing of value for services performed within the scope of his official duties, except the compensation, expenses or other remuneration paid by the agency of which he is an officer or employee. This prohibition shall not apply to the acceptance of special benefits that may be authorized by law;
2. Offer or accept any money or other thing of value for or in consideration of obtaining employment, appointment, or promotion of any person with any governmental or advisory agency;
3. Offer or accept any money or other thing of value for or in consideration of the use of his public position to obtain a contract for any person or business with any governmental or advisory agency;
4. Use for his own economic benefit or that of another party confidential information that he has acquired by reason of his public position and which is not available to the public;
5. Accept any money, loan, gift, favor, service, or business or professional opportunity that reasonably tends to influence him in the performance of his official duties. This subdivision shall not apply to any political contribution actually used for political campaign or constituent service purposes and reported as required by Chapter 9.3 (§ [24.2-945](#) et seq.) of Title 24.2;
6. Accept any business or professional opportunity when he knows that there is a reasonable likelihood that the opportunity is being afforded him to influence him in the performance of his official duties;
7. Accept any honoraria for any appearance, speech, or article in which the officer or employee provides expertise or opinions related to the performance of his official duties. The term "honoraria" shall not include any payment for or reimbursement to such person for his actual travel, lodging, or subsistence expenses incurred in connection with such appearance, speech, or article or in the alternative a payment of money or anything of value not in excess of the per diem deduction allowable under § 162 of the Internal Revenue Code, as amended from time to time. The prohibition in this subdivision shall apply only to the Governor, Lieutenant Governor, Attorney General, Governor's Secretaries, and heads of departments of state government;
8. Accept a gift from a person who has interests that may be substantially affected by the performance of the officer's or employee's official duties under circumstances where the timing and nature of the gift would cause a reasonable person to question the officer's or employee's impartiality in the matter affecting the donor. Violations of this subdivision shall not be subject to criminal law penalties;

9. Accept gifts from sources on a basis so frequent as to raise an appearance of the use of his public office for private gain. Violations of this subdivision shall not be subject to criminal law penalties; or

10. Use his public position to retaliate or threaten to retaliate against any person for expressing views on matters of public concern or for exercising any right that is otherwise protected by law, provided, however, that this subdivision shall not restrict the authority of any public employer to govern conduct of its employees, and to take disciplinary action, in accordance with applicable law, and provided further that this subdivision shall not limit the authority of a constitutional officer to discipline or discharge an employee with or without cause.

1987, Sp. Sess., c. 1, § 2.1-639.4; 1994, cc. [663](#), [815](#), [851](#); 2001, c. [844](#); 2006, cc. [787](#), [892](#); 2015, c. [574](#).

§ 2.2-3103.1. Certain gifts prohibited

A. For purposes of this section:

"Foreign country of concern" means any country designated by the Secretary of State to have repeatedly provided support for acts of international terrorism pursuant to the National Defense Authorization Act for Fiscal Year 2019, P.L. 115-232 § 1754(c), Aug. 13, 2018; the Arms Export Control Act § 40, 22 U.S.C. § 2780; or the Foreign Assistance Act of 1961 § 620A, 22 U.S.C. § 2370.

"Person, organization, or business" includes individuals who are officers, directors, or owners of or who have a controlling ownership interest in such organization or business.

"Widely attended event" means an event at which at least 25 persons have been invited to attend or there is a reasonable expectation that at least 25 persons will attend the event and the event is open to individuals (i) who are members of a public, civic, charitable, or professional organization, (ii) who are from a particular industry or profession, or (iii) who represent persons interested in a particular issue.

B. No officer or employee of a local governmental or advisory agency or candidate required to file the disclosure form prescribed in § [2.2-3117](#) or a member of his immediate family shall solicit, accept, or receive any single gift with a value in excess of \$100 or any combination of gifts with an aggregate value in excess of \$100 within any calendar year for himself or a member of his immediate family from any person that he or a member of his immediate family knows or has reason to know is (i) a lobbyist registered pursuant to Article 3 (§ [2.2-418](#) et seq.) of Chapter 4; (ii) a lobbyist's principal as defined in § [2.2-419](#); or (iii) a person, organization, or business who is or is seeking to become a party to a contract with the local agency of which he is an officer or an employee. Gifts with a value of less than \$20 are not subject to aggregation for purposes of this prohibition.

C. No officer or employee of a state governmental or advisory agency or candidate required to file the disclosure form prescribed in § [2.2-3117](#) or a member of his immediate family shall solicit, accept, or receive any single gift with a value in excess of \$100 or any combination of gifts with an aggregate value in excess of \$100 within any calendar year for himself or a member of his immediate family from any person that he or a member of his immediate family knows or has reason to know is (i) a lobbyist registered pursuant to Article 3 (§ [2.2-418](#) et seq.) of Chapter 4; (ii) a lobbyist's principal as defined in § [2.2-419](#); or (iii) a person, organization, or business who is or is seeking to become a party to a contract with the state governmental or advisory agency of which he

is an officer or an employee or over which he has the authority to direct such agency's activities. Gifts with a value of less than \$20 are not subject to aggregation for purposes of this prohibition.

D. Notwithstanding the provisions of subsections B and C, such officer, employee, or candidate or a member of his immediate family may accept or receive a gift of food and beverages, entertainment, or the cost of admission with a value in excess of \$100 when such gift is accepted or received while in attendance at a widely attended event and is associated with the event. Such gifts shall be reported on the disclosure form prescribed in § [2.2-3117](#).

E. Notwithstanding the provisions of subsections B and C, such officer or employee or a member of his immediate family may accept or receive a gift from a foreign dignitary with a value exceeding \$100 for which the fair market value or a gift of greater or equal value has not been provided or exchanged so long as such foreign dignitary is not a representative of a foreign country of concern. Such gift shall be accepted on behalf of the Commonwealth or a locality and archived in accordance with guidelines established by the Library of Virginia. Such gift shall be disclosed as having been accepted on behalf of the Commonwealth or a locality, but the value of such gift shall not be required to be disclosed.

F. Notwithstanding the provisions of subsections B and C, such officer, employee, or candidate or a member of his immediate family may accept or receive certain gifts with a value in excess of \$100 from a person listed in subsection B or C if such gift was provided to such officer, employee, or candidate or a member of his immediate family on the basis of a personal friendship.

Notwithstanding any other provision of law, a person listed in subsection B or C may be a personal friend of such officer, employee, or candidate or his immediate family for purposes of this subsection. In determining whether a person listed in subsection B or C is a personal friend, the following factors shall be considered: (i) the circumstances under which the gift was offered; (ii) the history of the relationship between the person and the donor, including the nature and length of the friendship and any previous exchange of gifts between them; (iii) to the extent known to the person, whether the donor personally paid for the gift or sought a tax deduction or business reimbursement for the gift; and (iv) whether the donor has given the same or similar gifts to other persons required to file the disclosure form prescribed in § [2.2-3117](#) or [30-111](#).

G. Notwithstanding the provisions of subsections B and C, such officer, employee, or candidate or a member of his immediate family may accept or receive gifts of travel, including travel-related transportation, lodging, hospitality, food or beverages, or other thing of value, with a value in excess of \$100 that is paid for or provided by a person listed in subsection B or C when the officer, employee, or candidate has submitted a request for approval of such travel to the Council and has received the approval of the Council pursuant to § [30-356.1](#). Such gifts shall be reported on the disclosure form prescribed in § [2.2-3117](#).

H. During the pendency of a civil action in any state or federal court to which the Commonwealth is a party, the Governor or the Attorney General or any employee of the Governor or the Attorney General who is subject to the provisions of this chapter shall not solicit, accept, or receive any gift from any person that he knows or has reason to know is a person, organization, or business that is a party to such civil action. A person, organization, or business that is a party to such civil action shall not knowingly give any gift to the Governor or the Attorney General or any of their employees who are subject to the provisions of this chapter.

I. The \$100 limitation imposed in accordance with this section shall be adjusted by the Council every five years, as of January 1 of that year, in an amount equal to the annual increases for that five-year period in the United States Average Consumer Price Index for all items, all urban

consumers (CPI-U), as published by the Bureau of Labor Statistics of the U.S. Department of Labor, rounded to the nearest whole dollar.

J. The provisions of this section shall not apply to any justice of the Supreme Court of Virginia, judge of the Court of Appeals of Virginia, judge of any circuit court, or judge or substitute judge of any district court. However, nothing in this subsection shall be construed to authorize the acceptance of any gift if such acceptance would constitute a violation of the Canons of Judicial Conduct for the State of Virginia.

2014, cc. [792](#), [804](#); 2015, cc. [763](#), [777](#); 2017, cc. [829](#), [832](#); 2023, cc. [291](#), [293](#).

§ 2.2-3103.2. Return of gifts

No person shall be in violation of any provision of this chapter prohibiting the acceptance of a gift if (i) the gift is not used by such person and the gift or its equivalent in money is returned to the donor or delivered to a charitable organization within a reasonable period of time upon the discovery of the value of the gift and is not claimed as a charitable contribution for federal income tax purposes or (ii) consideration is given by the donee to the donor for the value of the gift within a reasonable period of time upon the discovery of the value of the gift provided that such consideration reduces the value of the gift to an amount not in excess of \$100 as provided in subsection B or C of § [2.2-3103.1](#).

2015, cc. [763](#), [777](#).

§ 2.2-3104. Prohibited conduct for certain officers and employees of state government

For one year after the termination of public employment or service, no state officer or employee shall, before the agency of which he was an officer or employee, represent a client or act in a representative capacity on behalf of any person or group, for compensation, on matters related to legislation, executive orders, or regulations promulgated by the agency of which he was an officer or employee. This prohibition shall be in addition to the prohibitions contained in § [2.2-3103](#).

For the purposes of this section, "state officer or employee" shall mean (i) the Governor, Lieutenant Governor, Attorney General, and officers appointed by the Governor, whether confirmation by the General Assembly or by either house thereof is required or not, who are regularly employed on a full-time salaried basis; those officers and employees of executive branch agencies who report directly to the agency head; and those at the level immediately below those who report directly to the agency head and are at a payband 6 or higher and (ii) the officers and professional employees of the legislative branch designated by the joint rules committee of the General Assembly. For the purposes of this section, the General Assembly and the legislative branch agencies shall be deemed one agency.

To the extent this prohibition applies to the Governor's Secretaries, "agency" means all agencies assigned to the Secretary by law or by executive order of the Governor.

Any person subject to the provisions of this section may apply to the Council or Attorney General, as provided in § [2.2-3121](#) or [2.2-3126](#), for an advisory opinion as to the application of the restriction imposed by this section on any post-public employment position or opportunity.

1994, cc. [727](#), [776](#), § 2.1-639.4:1; 2001, c. [844](#); 2013, c. [648](#); 2014, cc. [792](#), [804](#); 2015, cc. [763](#), [777](#).

§ 2.2-3104.01. Prohibited conduct; bids or proposals under the Virginia Public Procurement Act, Public-Private Transportation Act, and Public-Private Education Facilities and Infrastructure Act; loans or grants from the Commonwealth's Development Opportunity Fund

A. Neither the Governor, his political action committee, or the Governor's Secretaries, if the Secretary is responsible to the Governor for an executive branch agency with jurisdiction over the matters at issue, shall knowingly solicit or accept a contribution, gift, or other item with a value

greater than \$50 from any bidder, offeror, or private entity, or from an officer or director of such bidder, offeror, or private entity, who has submitted a bid or proposal to an executive branch agency that is directly responsible to the Governor pursuant to the Virginia Public Procurement Act (§ [2.2-4300](#) et seq.), the Public-Private Transportation Act of 1995 (§ [33.2-1800](#) et seq.), or the Public-Private Education Facilities and Infrastructure Act of 2002 (§ [56-575.1](#) et seq.)(i) during the period between the submission of the bid and the award of the public contract under the Virginia Public Procurement Act or (ii) following the submission of a proposal under the Public-Private Transportation Act of 1995 or the Public-Private Education Facilities and Infrastructure Act of 2002 until the execution of a comprehensive agreement thereunder.

B. The provisions of this section shall apply only for public contracts, proposals, or comprehensive agreements where the stated or expected value of the contract is \$5 million or more. The provisions of this section shall not apply to contracts awarded as the result of competitive sealed bidding as set forth in § [2.2-4302.1](#).

C. Any person who knowingly violates this section shall be subject to a civil penalty of \$500 or up to two times the amount of the contribution or gift, whichever is greater, and the contribution, gift, or other item shall be returned to the donor. The attorney for the Commonwealth shall initiate civil proceedings to enforce the civil penalties. Any civil penalties collected shall be payable to the State Treasurer for deposit to the general fund and shall be used exclusively to fund the Council.

2010, c. [732](#); 2011, c. [624](#); 2013, c. [583](#); 2015, cc. [763](#), [777](#); 2016, c. [641](#).

§ 2.2-3104.02. Prohibited conduct for constitutional officers

In addition to the prohibitions contained in § [2.2-3103](#), no constitutional officer shall, during the one year after the termination of his public service, act in a representative capacity on behalf of any person or group, for compensation, on any matter before the agency of which he was an officer. The provisions of this section shall not apply to any attorney for the Commonwealth.

Any person subject to the provisions of this section may apply to the Council or the attorney for the Commonwealth for the jurisdiction where such person was elected as provided in § [2.2-3126](#), for an advisory opinion as to the application of the restriction imposed by this section on any post-public employment position or opportunity.

2011, c. [591](#); 2020, c. [111](#).

§ 2.2-3104.1. Exclusion of certain awards from scope of chapter

The provisions of this chapter shall not be construed to prohibit or apply to the acceptance by (i) any employee of a local government, or (ii) a teacher or other employee of a local school board of an award or payment in honor of meritorious or exceptional services performed by the teacher or employee and made by an organization exempt from federal income taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code.

2001, c. [48](#), § 2.1-639.4:2; 2008, cc. [478](#), [497](#).

§ 2.2-3104.2. Ordinance regulating receipt of gifts

The governing body of any county, city, or town may adopt an ordinance setting a monetary limit on the acceptance of any gift by the officers, appointees or employees of the county, city or town and requiring the disclosure by such officers, appointees or employees of the receipt of any gift.

2003, c. [694](#).

§ 2.2-3105. Application

This article proscribes certain conduct relating to contracts by state and local government officers and employees. The provisions of this article shall be supplemented but not superseded by the provisions on ethics in public contracting in Article 6 (§ [2.2-4367](#) et seq.) of Chapter 43 of this title.

1987, Sp. Sess., c. 1, § 2.1-639.5; 2001, c. [844](#); 2003, c. [694](#).

§ 2.2-3106. Prohibited contracts by officers and employees of state government

A. No officer or employee of any governmental agency of state government shall have a personal interest in a contract with the governmental agency of which he is an officer or employee, other than his own contract of employment.

B. No officer or employee of any governmental agency of state government shall have a personal interest in a contract with any other governmental agency of state government unless such contract is (i) awarded as a result of competitive sealed bidding or competitive negotiation as set forth in § [2.2-4302.1](#) or [2.2-4302.2](#) or (ii) is awarded after a finding, in writing, by the administrative head of the governmental agency that competitive bidding or negotiation is contrary to the best interest of the public.

C. The provisions of this section shall not apply to:

1. An employee's personal interest in additional contracts of employment with his own governmental agency that accrue to him because of a member of his immediate family, provided that the employee does not exercise any control over the employment or the employment activities of the member of his immediate family and the employee is not in a position to influence those activities;

2. The personal interest of an officer or employee of a public institution of higher education in additional contracts of employment with his own governmental agency that accrue to him because of a member of his immediate family, provided that (i) the officer or employee and the immediate family member are engaged in teaching, research, or administrative support positions at the educational institution; (ii) the governing board of the educational institution finds that it is in the best interests of the institution and the Commonwealth for such dual employment to exist; and (iii) after such finding, the governing board of the educational institution ensures that the officer or employee, or the immediate family member, does not have sole authority to supervise, evaluate, or make personnel decisions regarding the other;

3. An officer's or employee's personal interest in a contract of employment with any other governmental agency of state government;

4. Contracts for the sale by a governmental agency of services or goods at uniform prices available to the general public;

5. An employee's personal interest in a contract between a public institution of higher education in the Commonwealth and a publisher or wholesaler of textbooks or other educational materials for students, which accrues to him solely because he has authored or otherwise created such textbooks or materials;

6. An employee's personal interest in a contract with his or her employing public institution of higher education to acquire the collections or scholarly works owned by the employee, including manuscripts, musical scores, poetry, paintings, books or other materials, writings, or papers of an academic, research, or cultural value to the institution, provided that the president of the institution approves the acquisition of such collections or scholarly works as being in the best interests of the institution's public mission of service, research, or education;

7. Subject to approval by the board of visitors, an employee's personal interest in a contract between a public institution of higher education in the Commonwealth that operates a school of

medicine or dentistry and a not-for-profit nonstock corporation that operates a clinical practice within such public institution of higher education and of which such employee is a member or employee;

8. Subject to approval by the relevant board of visitors, an employee's personal interest in a contract for research and development or commercialization of intellectual property between a public institution of higher education in the Commonwealth and a business in which the employee has a personal interest, if (i) the employee's personal interest has been disclosed to and approved by such public institution of higher education prior to the time at which the contract is entered into; (ii) the employee promptly files a disclosure statement pursuant to § [2.2-3117](#) and thereafter files such statement annually on or before February 1; (iii) the institution has established a formal policy regarding such contracts, approved by the State Council of Higher Education for Virginia; and (iv) no later than December 31 of each year, the institution files an annual report with the Secretary of the Commonwealth disclosing each open contract entered into subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual arrangement, the nature of the conflict of interest, the institution's employee responsible for administering each contract, the details of the institution's commitment or investment of resources or finances for each contract, and any other information requested by the Secretary of the Commonwealth; or

9. Subject to approval by the relevant board of visitors, an employee's personal interest in a contract between a public institution of higher education in the Commonwealth and a business in which the employee has a personal interest, if (i) the personal interest has been disclosed to the institution prior to the time the contract is entered into; (ii) the employee files a disclosure statement pursuant to § [2.2-3117](#) and thereafter annually on or before February 1; (iii) the employee does not participate in the institution's decision to contract; (iv) the president of the institution finds and certifies in writing that the contract is for goods and services needed for quality patient care, including related medical education or research, by the institution's medical center, its affiliated teaching hospitals and other organizations necessary for the fulfillment of its mission, including the acquisition of drugs, therapies and medical technologies; and (v) no later than December 31 of each year, the institution files an annual report with the Secretary of the Commonwealth disclosing each open contract entered subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual arrangement, the nature of the conflict of interest, the institution's employee responsible for administering each contract, the details of the institution's commitment or investment of resources or finances for each contract, and any other information requested by the Secretary of the Commonwealth.

D. Notwithstanding the provisions of subdivisions C 8 and C 9, if the research and development or commercialization of intellectual property or the employee's personal interest in a contract with a business is subject to policies and regulations governing conflicts of interest promulgated by any agency of the United States government, including the adoption of policies requiring the disclosure and management of such conflicts of interests, the policies established by the Eastern Virginia Health Sciences Center at Old Dominion University pursuant to such federal requirements shall constitute compliance with subdivisions C 8 and C 9, upon notification by the Eastern Virginia Health Sciences Center at Old Dominion University to the Secretary of the Commonwealth by January 31 of each year of evidence of their compliance with such federal policies and regulations.

E. The board of visitors may delegate the authority granted under subdivision C 8 to the president of the institution. If the board elects to delegate such authority, the board shall include this

delegation of authority in the formal policy required by clause (iii) of subdivision C 8. In those instances where the board has delegated such authority, on or before December 1 of each year, the president of the relevant institution shall file a report with the relevant board of visitors disclosing each open contract entered into subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual arrangement, the nature of the conflict of interest, the institution's employee responsible for administering each contract, the details of the institution's commitment or investment of resources or finances for each contract, the details of how revenues are to be disbursed, and any other information requested by the board of visitors.

1987, Sp. Sess., c. 1, § 2.1-639.6; 1989, c. 74; 1991, c. 470; 1993, c. 876; 1995, c. [403](#); 1998, c. [838](#); 2001, c. [844](#); 2002, cc. [87](#), [478](#); 2003, c. [646](#); 2006, c. [839](#); 2013, c. [583](#); 2015, cc. [763](#), [777](#); 2016, cc. [773](#), [774](#); 2023, cc. [351](#), [352](#), [756](#), [778](#).

§ 2.2-3107. Prohibited contracts by members of county boards of supervisors, city councils and town councils

A. No person elected or appointed as a member of the governing body of a county, city or town shall have a personal interest in (i) any contract with his governing body, or (ii) any contract with any governmental agency that is a component part of his local government and which is subject to the ultimate control of the governing body of which he is a member, or (iii) any contract other than a contract of employment with any other governmental agency if such person's governing body appoints a majority of the members of the governing body of the second governmental agency.

B. The provisions of this section shall not apply to:

1. A member's personal interest in a contract of employment provided (i) the officer or employee was employed by the governmental agency prior to July 1, 1983, in accordance with the provisions of the former Conflict of Interests Act, Chapter 22 (§ 2.1-347 et seq.) of Title 2.1 as it existed on June 30, 1983, or (ii) the employment first began prior to the member becoming a member of the governing body;

2. Contracts for the sale by a governmental agency of services or goods at uniform prices available to the public; or

3. A contract awarded to a member of a governing body as a result of competitive sealed bidding where the governing body has established a need for the same or substantially similar goods through purchases prior to the election or appointment of the member to serve on the governing body. However, the member shall have no involvement in the preparation of the specifications for such contract, and the remaining members of the governing body, by written resolution, shall state that it is in the public interest for the member to bid on such contract.

1987, Sp. Sess., c. 1, § 2.1-639.7; 2001, c. [844](#).

§ 2.2-3108. Prohibited contracts by members of school boards

A. No person elected or appointed as a member of a local school board shall have a personal interest in (i) any contract with his school board or (ii) any contract with any governmental agency that is subject to the ultimate control of the school board of which he is a member.

B. The provisions of this section shall not apply to:

1. A member's personal interest in a contract of employment provided the employment first began prior to the member becoming a member of the school board;

2. Contracts for the sale by a governmental agency of services or goods at uniform prices available to the public; or

3. A contract awarded to a member of a school board as a result of competitive sealed bidding where the school board has established a need for the same or substantially similar goods through purchases prior to the election or appointment of the member to serve on the school board. However, the member shall have no involvement in the preparation of the specifications for such contract, and the remaining members of the school board, by written resolution, shall state that it is in the public interest for the member to bid on such contract.

1996, c. [548](#), § 2.1-639.7:1; 2001, c. [844](#).

§ 2.2-3109. Prohibited contracts by other officers and employees of local governmental agencies

A. No other officer or employee of any governmental agency of local government, including a hospital authority as defined in § [2.2-3109.1](#), shall have a personal interest in a contract with the agency of which he is an officer or employee other than his own contract of employment.

B. No officer or employee of any governmental agency of local government, including a hospital authority as defined in § [2.2-3109.1](#), shall have a personal interest in a contract with any other governmental agency that is a component of the government of his county, city or town unless such contract is (i) awarded as a result of competitive sealed bidding or competitive negotiation as set forth in § [2.2-4302.1](#) or [2.2-4302.2](#) or is awarded as a result of a procedure embodying competitive principles as authorized by subdivision A 10 or 11 of § [2.2-4343](#) or (ii) is awarded after a finding, in writing, by the administrative head of the governmental agency that competitive bidding or negotiation is contrary to the best interest of the public.

C. The provisions of this section shall not apply to:

1. An employee's personal interest in additional contracts for goods or services, or contracts of employment with his own governmental agency that accrue to him because of a member of his immediate family, provided the employee does not exercise any control over (i) the employment or the employment activities of the member of his immediate family and (ii) the employee is not in a position to influence those activities or the award of the contract for goods or services;

2. An officer's or employee's personal interest in a contract of employment with any other governmental agency that is a component part of the government of his county, city or town;

3. Contracts for the sale by a governmental agency of services or goods at uniform prices available to the general public;

4. Members of local governing bodies who are subject to § [2.2-3107](#);

5. Members of local school boards who are subject to § [2.2-3108](#); or

6. Any ownership or financial interest of members of the governing body, administrators, and other personnel serving in a public charter school in renovating, lending, granting, or leasing public charter school facilities, as the case may be, provided such interest has been disclosed in the public charter school application as required by § [22.1-212.8](#).

1987, Sp. Sess., c. 1, § 2.1-639.8; 1996, c. [548](#); 2001, c. [844](#); 2004, c. [530](#); 2009, c. [862](#); 2013, c. [583](#); 2015, c. [699](#).

§ 2.2-3109.1. Prohibited contracts; additional exclusions for contracts by officers and employees of hospital authorities

A. As used in this section, "hospital authority" means a hospital authority established pursuant to Chapter 53 (§ [15.2-5300](#) et seq.) of Title 15.2 or an Act of Assembly.

B. The provisions of § [2.2-3109](#) shall not apply to:

1. The personal interest of an officer or employee of a hospital authority in additional contracts of employment with his own governmental agency that accrue to him because of a member of his immediate family, provided (i) the officer or employee and the immediate family member are licensed members of the medical profession or hold administrative support positions at the hospital authority, (ii) the governing board of the hospital authority finds that it is in the best interests of the hospital authority and the county, city, or town for such dual employment to exist, and (iii) after such finding, the governing board of the hospital authority ensures that neither the officer or employee, nor the immediate family member, has sole authority to supervise, evaluate, or make personnel decisions regarding the other;

2. Subject to approval by the governing board of the hospital authority, an officer or employee's personal interest in a contract between his hospital authority and a professional entity that operates a clinical practice at any medical facilities of such other hospital authority and of which such officer or employee is a member or employee;

3. Subject to approval by the relevant governing body, an officer or employee's personal interest in a contract for research and development or commercialization of intellectual property between the hospital authority and a business in which the employee has a personal interest, provided (i) the officer or employee's personal interest has been disclosed to and approved by the hospital authority prior to the time at which the contract is entered into; (ii) the officer or employee promptly files a disclosure statement pursuant to § [2.2-3117](#) and thereafter files such statement annually on or before January 15; (iii) the local hospital authority has established a formal policy regarding such contracts in conformity with any applicable federal regulations that has been approved by its governing body; and (iv) no later than December 31 of each year, the local hospital authority files an annual report with the Virginia Conflict of Interest and Ethics Advisory Council disclosing each open contract entered into subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual arrangement, the nature of the conflict of interest, the hospital authority's employee responsible for administering each contract, the details of such hospital authority's commitment or investment of resources or finances for each contract, and any other information requested by the Virginia Conflict of Interest and Ethics Advisory Council; or

4. Subject to approval by the relevant governing body, an officer or employee's personal interest in a contract between the hospital authority and a business in which the officer or employee has a personal interest, provided (i) the personal interest has been disclosed to the hospital authority prior to the time the contract is entered into; (ii) the officer or employee files a disclosure statement pursuant to § [2.2-3117](#) and thereafter annually on or before January 15; (iii) the officer or employee does not participate in the hospital authority's decision to contract; (iv) the president or chief executive officer of the hospital authority finds and certifies in writing that the contract is for goods and services needed for quality patient care, including related medical education or research, by any of the hospital authority's medical facilities or any of its affiliated organizations, or is otherwise necessary for the fulfillment of its mission, including but not limited to the acquisition of drugs, therapies, and medical technologies; and (v) no later than December 31 of each year, the hospital authority files an annual report with the Virginia Conflict of Interest and Ethics Advisory Council disclosing each open contract entered into subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual

arrangement, the nature of the conflict of interest, the hospital authority's employee responsible for administering each contract, the details of the hospital authority's commitment or investment of resources or finances for each contract, and any other information requested by the Virginia Conflict of Interest and Ethics Advisory Council.

C. Notwithstanding the provisions of subdivisions B 3 and B 4, if the research and development or commercialization of intellectual property or the officer or employee's personal interest in a contract with a business is subject to policies and regulations governing conflicts of interest promulgated by any agency of the United States government, including the adoption of policies requiring the disclosure and management of such conflicts of interest, the policies established by the hospital authority pursuant to such federal requirements shall constitute compliance with subdivisions B 3 and B 4, upon notification by the hospital authority to the Virginia Conflict of Interest and Ethics Advisory Council by January 31 of each year of evidence of its compliance with such federal policies and regulations.

D. The governing body may delegate the authority granted under subdivision B 2 to the president or chief executive officer of hospital authority. If the board elects to delegate such authority, the board shall include this delegation of authority in the formal policy required by clause (iii) of subdivision B 3. In those instances where the board has delegated such authority, on or before December 1 of each year, the president or chief executive officer of the hospital authority shall file a report with the relevant governing body disclosing each open contract entered into subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual arrangement, the nature of the conflict of interest, the hospital authority's employee responsible for administering each contract, the details of the hospital authority's commitment or investment of resources or finances for each contract, the details of how revenues are to be dispersed, and any other information requested by the governing body.

2015, c. [699](#); 2016, cc. [773](#), [774](#).

§ 2.2-3110. Further exceptions

A. The provisions of Article 3 (§ [2.2-3106](#) et seq.) shall not apply to:

1. The sale, lease or exchange of real property between an officer or employee and a governmental agency, provided the officer or employee does not participate in any way as such officer or employee in such sale, lease or exchange, and this fact is set forth as a matter of public record by the governing body of the governmental agency or by the administrative head thereof;

2. The publication of official notices;

3. Contracts between the government or school board of a county, city, or town with a population of less than 10,000 and an officer or employee of that county, city, or town government or school board when the total of such contracts between the government or school board and the officer or employee of that government or school board or a business controlled by him does not exceed \$5,000 per year or such amount exceeds \$5,000 and is less than \$25,000 but results from contracts arising from awards made on a sealed bid basis, and such officer or employee has made disclosure as provided for in § [2.2-3115](#);

4. An officer or employee whose sole personal interest in a contract with the governmental agency is by reason of income from the contracting firm or governmental agency in excess of \$5,000 per year, provided the officer or employee or a member of his immediate family does not participate and has no authority to participate in the procurement or letting of such contract on behalf of the contracting firm and the officer or employee either does not have authority to participate in the

procurement or letting of the contract on behalf of his governmental agency or he disqualifies himself as a matter of public record and does not participate on behalf of his governmental agency in negotiating the contract or in approving the contract;

5. When the governmental agency is a public institution of higher education, an officer or employee whose personal interest in a contract with the institution is by reason of an ownership in the contracting firm in excess of three percent of the contracting firm's equity or such ownership interest and income from the contracting firm is in excess of \$5,000 per year, provided that (i) the officer or employee's ownership interest, or ownership and income interest, and that of any immediate family member in the contracting firm is disclosed in writing to the president of the institution, which writing certifies that the officer or employee has not and will not participate in the contract negotiations on behalf of the contracting firm or the institution, (ii) the president of the institution, or an officer or administrator designated by the president of the institution to make findings imposed by this section, makes a written finding as a matter of public record that the contract is in the best interests of the institution, (iii) the officer or employee either does not have authority to participate in the procurement or letting of the contract on behalf of the institution or disqualifies himself as a matter of public record, and (iv) the officer or employee does not participate on behalf of the institution in negotiating the contract or approving the contract;

6. Except when the governmental agency is the Virginia Retirement System, contracts between an officer's or employee's governmental agency and a public service corporation, financial institution, or company furnishing public utilities in which the officer or employee has a personal interest, provided the officer or employee disqualifies himself as a matter of public record and does not participate on behalf of his governmental agency in negotiating the contract or in approving the contract;

7. Contracts for the purchase of goods or services when the contract does not exceed \$500;

8. Grants or other payment under any program wherein uniform rates for, or the amounts paid to, all qualified applicants are established solely by the administering governmental agency;

9. An officer or employee whose sole personal interest in a contract with his own governmental agency is by reason of his marriage to his spouse who is employed by the same agency, if the spouse was employed by such agency for five or more years prior to marrying such officer or employee;

10. Contracts entered into by an officer or employee or immediate family member of an officer or employee of a soil and water conservation district created pursuant to Article 3 (§ [10.1-506](#) et seq.) of Chapter 5 of Title 10.1 to participate in the Virginia Agricultural Best Management Practices Cost-Share Program (the Program) established in accordance with § [10.1-546.1](#) or to participate in other cost-share programs for the installation of best management practices to improve water quality. This subdivision shall not apply to subcontracts or other agreements entered into by an officer or employee of a soil and water conservation district to provide services for implementation of a cost-share contract established under the Program or such other cost-share programs; or

11. Contracts entered into by an officer or immediate family member of an officer of the Marine Resources Commission for goods or services for shellfish replenishment, provided that such officer or immediate family member does not participate in (i) awarding the contract, (ii) authorizing the procurement, or (iii) authorizing the use of alternate procurement methods pursuant to § [28.2-550](#).

B. Neither the provisions of this chapter nor, unless expressly provided otherwise, any amendments thereto shall apply to those employment contracts or renewals thereof or to any other contracts entered into prior to August 1, 1987, which were in compliance with either the former Virginia Conflict of Interests Act, Chapter 22 (§ 2.1-347 et seq.) or the former Comprehensive Conflict of Interests Act, Chapter 40 (§ 2.1-599 et seq.) of Title 2.1 at the time of their formation and thereafter. Those contracts shall continue to be governed by the provisions of the appropriate prior Act. Notwithstanding the provisions of subdivision (f)(4) of former § 2.1-348 of Title 2.1 in effect prior to July 1, 1983, the employment by the same governmental agency of an officer or employee and spouse or any other relative residing in the same household shall not be deemed to create a material financial interest except when one of such persons is employed in a direct supervisory or administrative position, or both, with respect to such spouse or other relative residing in his household and the annual salary of such subordinate is \$35,000 or more.

1987, Sp. Sess., c. 1, § 2.1-639.9; 1990, c. 51; 1993, c. 303; 1994, cc. [450](#), [713](#); 1997, c. [641](#); 2001, c. [844](#); 2006, c. [839](#); 2010, cc. [301](#), [304](#); 2016, cc. [351](#), [531](#); 2017, cc. [150](#), [546](#), [829](#), [832](#); 2018, c. [742](#); 2020, c. [777](#).

§ 2.2-3111. Application

This article proscribes certain conduct by state and local government officers and employees having a personal interest in a transaction.

1987, Sp. Sess., c. 1, § 2.1-639.10; 2001, c. [844](#).

§ 2.2-3112. Prohibited conduct concerning personal interest in a transaction; exceptions

A. Each officer and employee of any state or local governmental or advisory agency who has a personal interest in a transaction shall disqualify himself from participating in the transaction if (i) the transaction has application solely to property or a business or governmental agency in which he has a personal interest or a business that has a parent-subsidary or affiliated business entity relationship with the business in which he has a personal interest or (ii) he is unable to participate pursuant to subdivision B 1, 2, or 3. Any disqualification under the provisions of this subsection shall be recorded in the public records of the officer's or employee's governmental or advisory agency. The officer or employee shall disclose his personal interest as required by subsection E of § [2.2-3114](#) or subsection F of § [2.2-3115](#) and shall not vote or in any manner act on behalf of his agency in the transaction. The officer or employee shall be prohibited from (i) attending any portion of a closed meeting authorized by the Virginia Freedom of Information Act (§ [2.2-3700](#) et seq.) when the matter in which he has a personal interest is discussed and (ii) discussing the matter in which he has a personal interest with other governmental officers or employees at any time.

B. An officer or employee of any state or local government or advisory agency who has a personal interest in a transaction may participate in the transaction:

1. If he is a member of a business, profession, occupation, or group of three or more persons the members of which are affected by the transaction, and he complies with the declaration requirements of subsection F of § [2.2-3114](#) or subsection H of § [2.2-3115](#);
2. When a party to the transaction is a client of his firm if he does not personally represent or provide services to such client and he complies with the declaration requirements of subsection G of § [2.2-3114](#) or subsection I of § [2.2-3115](#); or
3. If it affects the public generally, even though his personal interest, as a member of the public, may also be affected by that transaction.

C. Disqualification under the provisions of this section shall not prevent any employee having a personal interest in a transaction in which his agency is involved from representing himself or a

member of his immediate family in such transaction provided he does not receive compensation for such representation and provided he complies with the disqualification and relevant disclosure requirements of this chapter.

D. Notwithstanding any other provision of law, if disqualifications of officers or employees in accordance with this section leave less than the number required by law to act, the remaining member or members shall constitute a quorum for the conduct of business and have authority to act for the agency by majority vote, unless a unanimous vote of all members is required by law, in which case authority to act shall require a unanimous vote of remaining members.

Notwithstanding any provisions of this chapter to the contrary, members of a local governing body whose sole interest in any proposed sale, contract of sale, exchange, lease or conveyance is by virtue of their employment by a business involved in a proposed sale, contract of sale, exchange, lease or conveyance, and where such member's or members' vote is essential to a constitutional majority required pursuant to Article VII, Section 9 of the Constitution of Virginia and § [15.2-2100](#), such member or members of the local governing body may vote and participate in the deliberations of the governing body concerning whether to approve, enter into or execute such sale, contract of sale, exchange, lease or conveyance. Official action taken under circumstances that violate this section may be rescinded by the agency on such terms as the interests of the agency and innocent third parties require.

E. The provisions of subsection A shall not prevent an officer or employee from participating in a transaction merely because such officer or employee is a party in a legal proceeding of a civil nature concerning such transaction.

F. The provisions of subsection A shall not prevent an employee from participating in a transaction regarding textbooks or other educational material for students at state institutions of higher education, when those textbooks or materials have been authored or otherwise created by the employee.

G. The provisions of this section shall not prevent any justice of the Supreme Court of Virginia, judge of the Court of Appeals of Virginia, judge of any circuit court, judge or substitute judge of any district court, member of the State Corporation Commission, or member of the Virginia Workers' Compensation Commission from participating in a transaction where such individual's participation involves the performance of adjudicative responsibilities as set forth in Canon 3 of the Canons of Judicial Conduct for the State of Virginia. However, nothing in this subsection shall be construed to authorize such individual's participation in a transaction if such participation would constitute a violation of the Canons of Judicial Conduct for the State of Virginia.

1987, Sp. Sess., c. 1, § 2.1-639.11; 2001, c. [844](#); 2003, c. [694](#); 2007, c. [613](#); 2012, c. [429](#); 2017, cc. [829](#), [832](#).

§ 2.2-3113. Application

This article requires disclosure of certain personal and financial interests by state and local government officers and employees.

1987, Sp. Sess., c. 1, § 2.1-639.12; 2001, c. [844](#).

§ 2.2-3114. Disclosure by state officers and employees

A. In accordance with the requirements set forth in § [2.2-3118.2](#), the Governor, Lieutenant Governor, Attorney General, Justices of the Supreme Court, judges of the Court of Appeals, judges of any circuit court, judges and substitute judges of any district court, members of the State Corporation Commission, members of the Virginia Workers' Compensation Commission,

members of the Commonwealth Transportation Board, members of the Board of Trustees of the Virginia Retirement System, members of the Board of Directors of the Virginia Alcoholic Beverage Control Authority, members of the board of directors of the Commonwealth of Virginia Innovation Partnership Authority, members of the Board of the Commonwealth Savers Plan, and members of the Virginia Lottery Board and other persons occupying such offices or positions of trust or employment in state government, including members of the governing bodies of authorities, as may be designated by the Governor, or officers or employees of the legislative branch, as may be designated by the Joint Rules Committee of the General Assembly, shall file with the Council, as a condition to assuming office or employment, a disclosure statement of their personal interests and such other information as is required on the form prescribed by the Council pursuant to § [2.2-3117](#) and thereafter shall file such a statement annually on or before February 1.

B. In accordance with the requirements set forth in § [2.2-3118.2](#), nonsalaried citizen members of all policy and supervisory boards, commissions, and councils in the executive branch of state government, other than the members of the Commonwealth Transportation Board, members of the Board of Trustees of the Virginia Retirement System, members of the board of directors of the Commonwealth of Virginia Innovation Partnership Authority, members of the Board of the Commonwealth Savers Plan, and members of the Virginia Lottery Board, shall file with the Council, as a condition to assuming office, a disclosure form of their personal interests and such other information as is required on the form prescribed by the Council pursuant to § [2.2-3118](#) and thereafter shall file such form annually on or before February 1. Nonsalaried citizen members of other boards, commissions, and councils, including advisory boards and authorities, may be required to file a disclosure form if so designated by the Governor, in which case the form shall be that prescribed by the Council pursuant to § [2.2-3118](#).

C. The disclosure forms required by subsections A and B shall be made available by the Council at least 30 days prior to the filing deadline. Disclosure forms shall be filed electronically with the Council in accordance with the standards approved by it pursuant to § [30-356](#). All forms shall be maintained as public records for five years in the office of the Council. Such forms shall be made public no later than six weeks after the filing deadline.

D. Candidates for the offices of Governor, Lieutenant Governor, or Attorney General shall file a disclosure statement of their personal interests as required by § [24.2-502](#).

E. Any officer or employee of state government who has a personal interest in any transaction before the governmental or advisory agency of which he is an officer or employee and who is disqualified from participating in that transaction pursuant to subsection A of § [2.2-3112](#), or otherwise elects to disqualify himself, shall forthwith make disclosure of the existence of his interest, including the full name and address of the business and the address or parcel number for the real estate if the interest involves a business or real estate, and his disclosure shall also be reflected in the public records of the agency for five years in the office of the administrative head of the officer's or employee's governmental agency or advisory agency or, if the agency has a clerk, in the clerk's office.

F. An officer or employee of state government who is required to declare his interest pursuant to subdivision B 1 of § [2.2-3112](#), shall declare his interest by stating (i) the transaction involved, (ii) the nature of the officer's or employee's personal interest affected by the transaction, (iii) that he is a member of a business, profession, occupation, or group the members of which are affected by the transaction, and (iv) that he is able to participate in the transaction fairly, objectively, and in the public interest. The officer or employee shall either make his declaration orally to be recorded in written minutes for his agency or file a signed written declaration with the clerk or administrative head of his governmental or advisory agency, as appropriate, who shall, in either case, retain and make available for public inspection such declaration for a period of five years from the date of

recording or receipt. If reasonable time is not available to comply with the provisions of this subsection prior to participation in the transaction, the officer or employee shall prepare and file the required declaration by the end of the next business day.

G. An officer or employee of state government who is required to declare his interest pursuant to subdivision B 2 of § [2.2-3112](#), shall declare his interest by stating (i) the transaction involved, (ii) that a party to the transaction is a client of his firm, (iii) that he does not personally represent or provide services to the client, and (iv) that he is able to participate in the transaction fairly, objectively, and in the public interest. The officer or employee shall either make his declaration orally to be recorded in written minutes for his agency or file a signed written declaration with the clerk or administrative head of his governmental or advisory agency, as appropriate, who shall, in either case, retain and make available for public inspection such declaration for a period of five years from the date of recording or receipt. If reasonable time is not available to comply with the provisions of this subsection prior to participation in the transaction, the officer or employee shall prepare and file the required declaration by the end of the next business day.

H. Notwithstanding any other provision of law, chairs of departments at a public institution of higher education in the Commonwealth shall not be required to file the disclosure form prescribed by the Council pursuant to § [2.2-3117](#) or [2.2-3118](#).

1987, Sp. Sess., c. 1, § 2.1-639.13; 1988, cc. 767, 849; 1992, c. 710; 1993, c. 303; 1997, c. [641](#); 2001, cc. [217](#), [844](#); 2003, c. [694](#); 2005, c. [169](#); 2006, c. [779](#); 2014, cc. [225](#), [792](#), [804](#); 2015, cc. [763](#), [777](#); 2016, cc. [773](#), [774](#); 2017, cc. [829](#), [832](#); 2018, c. [528](#); 2023, c. [129](#); 2024, c. [217](#).

§ 2.2-3114.1. Filings of statements of economic interests by General Assembly members

The filing of a current statement of economic interests by a General Assembly member, member-elect, or candidate for the General Assembly pursuant to §§ [30-110](#) and [30-111](#) of the General Assembly Conflicts of Interests Act (§ [30-100](#) et seq.) shall suffice for the purposes of this chapter. The Secretary of the Commonwealth may obtain from the Council a copy of the statement of a General Assembly member who is appointed to a position for which a statement is required pursuant to § [2.2-3114](#). No General Assembly member, member-elect, or candidate shall be required to file a separate statement of economic interests for the purposes of § [2.2-3114](#).

2002, c. [36](#); 2015, cc. [763](#), [777](#).

§ 2.2-3114.2. Report of gifts by certain officers and employees of state government

The Governor, Lieutenant Governor, Attorney General, and each member of the Governor's Cabinet shall file, on or before May 1, a report of gifts accepted or received by him or a member of his immediate family during the period beginning on January 1 complete through adjournment sine die of the regular session of the General Assembly. The gift report shall be on a form prescribed by the Council and shall be filed electronically with the Council in accordance with the standards approved by it pursuant to § [30-356](#). For purposes of this section, "adjournment sine die" means adjournment on the last legislative day of the regular session and does not include the ensuing reconvened session. Any gifts reported pursuant to this section shall not be listed on the annual disclosure form prescribed by the Council pursuant to § [2.2-3117](#).

2016, cc. [773](#), [774](#).

§ 2.2-3115. Disclosure by local government officers and employees

A. In accordance with the requirements set forth in § [2.2-3118.2](#), the members of every governing body and school board of each county and city and of towns with populations in excess of 3,500 and the executive director and members of each industrial development authority and economic development authority, as created by the Industrial Development and Revenue Bond Act (§ [15.2-4900](#) et seq.), shall file, as a condition to assuming office or employment, a disclosure statement of their personal interests and other information as is required on the form prescribed by the Council pursuant to § [2.2-3117](#) and thereafter shall file such a statement annually on or before February 1.

In accordance with the requirements set forth in § [2.2-3118.2](#), the members of the governing body of any authority established in any county or city, or part or combination thereof, and having the power to issue bonds or expend funds in excess of \$10,000 in any fiscal year, other than the executive director and members of each industrial development authority and economic development authority, as created by the Industrial Development and Revenue Bond Act (§ 15.2-4900 et seq.), shall file, as a condition to assuming office, a disclosure statement of their personal interests and other information as is required on the form prescribed by the Council pursuant to § [2.2-3118](#) and thereafter shall file such a statement annually on or before February 1, unless the governing body of the jurisdiction that appoints the members requires that the members file the form set forth in § [2.2-3117](#).

In accordance with the requirements set forth in § [2.2-3118.2](#), the members of the Northern Virginia Transportation Authority and the Northern Virginia Transportation Commission shall file, as a condition to assuming office, a disclosure of their personal interests and other information as is required on the form prescribed by the Council pursuant to § [2.2-3118](#) and thereafter shall file such a statement annually on or before February 1.

In accordance with the requirements set forth in § [2.2-3118.2](#), persons occupying such positions of trust appointed by governing bodies and persons occupying such positions of employment with governing bodies as may be designated to file by ordinance of the governing body shall file, as a condition to assuming office or employment, a disclosure statement of their personal interests and other information as is required on the form prescribed by the Council pursuant to § [2.2-3117](#) and thereafter shall file such a statement annually on or before February 1.

In accordance with the requirements set forth in § [2.2-3118.2](#), persons occupying such positions of trust appointed by school boards and persons occupying such positions of employment with school boards as may be designated to file by an adopted policy of the school board shall file, as a condition to assuming office or employment, a disclosure statement of their personal interests and other information as is required on the form prescribed by the Council pursuant to § [2.2-3117](#) and thereafter shall file such a statement annually on or before February 1.

B. In accordance with the requirements set forth in § [2.2-3118.2](#), nonsalaried citizen members of local boards, commissions and councils as may be designated by the governing body shall file, as a condition to assuming office, a disclosure form of their personal interests and such other information as is required on the form prescribed by the Council pursuant to § [2.2-3118](#) and thereafter shall file such form annually on or before February 1.

C. No person shall be mandated to file any disclosure not otherwise required by this article.

D. The disclosure forms required by subsections A and B shall be made available by the Virginia Conflict of Interest and Ethics Advisory Council at least 30 days prior to the filing deadline, and the clerks of the governing body and school board shall distribute the forms to designated individuals at least 20 days prior to the filing deadline. Forms shall be filed and maintained as public records for five years in the office of the clerk of the respective governing body or school board. Forms filed by members of governing bodies of authorities shall be filed and maintained as public records for five years in the office of the clerk of the governing body of the county or city. Such forms shall be made public no later than six weeks after the filing deadline.

E. Candidates for membership in the governing body or school board of any county, city or town with a population of more than 3,500 persons shall file a disclosure statement of their personal interests as required by § [24.2-502](#).

F. Any officer or employee of local government who has a personal interest in any transaction before the governmental or advisory agency of which he is an officer or employee and who is

disqualified from participating in that transaction pursuant to subsection A of § [2.2-3112](#) or otherwise elects to disqualify himself, shall forthwith make disclosure of the existence of his interest, including the full name and address of the business and the address or parcel number for the real estate if the interest involves a business or real estate, and his disclosure shall be reflected in the public records of the agency for five years in the office of the administrative head of the officer's or employee's governmental or advisory agency.

G. In addition to any disclosure required by subsections A and B, in each county and city and in towns with populations in excess of 3,500, members of planning commissions, boards of zoning appeals, real estate assessors, and all county, city and town managers or executive officers shall make annual disclosures of all their interests in real estate located in the county, city or town in which they are elected, appointed, or employed. Such disclosure shall include any business in which such persons own an interest, or from which income is received, if the primary purpose of the business is to own, develop or derive compensation through the sale, exchange or development of real estate in the county, city or town. In accordance with the requirements set forth in § [2.2-3118.2](#), such disclosure shall be filed as a condition to assuming office or employment, and thereafter shall be filed annually with the clerk of the governing body of such county, city, or town on or before February 1. Such disclosures shall be filed and maintained as public records for five years. Such forms shall be made public no later than six weeks after the filing deadline. Forms for the filing of such reports shall be made available by the Virginia Conflict of Interest and Ethics Advisory Council to the clerk of each governing body.

H. An officer or employee of local government who is required to declare his interest pursuant to subdivision B 1 of § [2.2-3112](#) shall declare his interest by stating (i) the transaction involved, (ii) the nature of the officer's or employee's personal interest affected by the transaction, (iii) that he is a member of a business, profession, occupation, or group the members of which are affected by the transaction, and (iv) that he is able to participate in the transaction fairly, objectively, and in the public interest. The officer or employee shall either make his declaration orally to be recorded in written minutes for his agency or file a signed written declaration with the clerk or administrative head of his governmental or advisory agency, as appropriate, who shall, in either case, retain and make available for public inspection such declaration for a period of five years from the date of recording or receipt. If reasonable time is not available to comply with the provisions of this subsection prior to participation in the transaction, the officer or employee shall prepare and file the required declaration by the end of the next business day. The officer or employee shall also orally disclose the existence of the interest during each meeting of the governmental or advisory agency at which the transaction is discussed and such disclosure shall be recorded in the minutes of the meeting.

I. An officer or employee of local government who is required to declare his interest pursuant to subdivision B 2 of § [2.2-3112](#), shall declare his interest by stating (i) the transaction involved, (ii) that a party to the transaction is a client of his firm, (iii) that he does not personally represent or provide services to the client, and (iv) that he is able to participate in the transaction fairly, objectively, and in the public interest. The officer or employee shall either make his declaration orally to be recorded in written minutes for his agency or file a signed written declaration with the clerk or administrative head of his governmental or advisory agency, as appropriate, who shall, in either case, retain and make available for public inspection such declaration for a period of five years from the date of recording or receipt. If reasonable time is not available to comply with the provisions of this subsection prior to participation in the transaction, the officer or employee shall prepare and file the required declaration by the end of the next business day.

J. The clerk of the governing body or school board that releases any form to the public pursuant to this section shall redact from the form any residential address, personal telephone number, email

address, or signature contained on such form; however, any form filed pursuant to subsection G shall not have any residential addresses redacted.

1987, Sp. Sess., c. 1, § 2.1-639.14; 1988, c. 849; 1995, c. [495](#); 1996, c. [526](#); 2000, c. [317](#); 2001, cc. [217](#), [844](#); 2003, c. [694](#); 2012, c. [429](#); 2014, cc. [792](#), [804](#); 2015, cc. [763](#), [777](#); 2016, cc. [773](#), [774](#); 2017, cc. [829](#), [832](#); 2020, cc. [73](#), [77](#), [81](#), [111](#).

§ 2.2-3116. Disclosure by certain constitutional officers

For the purposes of this chapter, holders of the constitutional offices of treasurer, sheriff, attorney for the Commonwealth, clerk of the circuit court, and commissioner of the revenue of each county and city shall be required to file with the Council, as a condition to assuming office, the Statement of Economic Interests prescribed by the Council pursuant to § [2.2-3117](#). These officers shall file statements annually on or before February 1. Candidates shall file statements as required by § [24.2-502](#). Statements shall be filed electronically with the Council in accordance with the standards approved by it pursuant to § [30-356](#). These officers shall be subject to the prohibition on certain gifts set forth in subsection B of § [2.2-3103.1](#).

1988, c. 469, § 2.1-639.14:1; 2001, c. [844](#); 2014, cc. [792](#), [804](#); 2015, cc. [763](#), [777](#); 2016, cc. [773](#), [774](#); 2017, cc. [829](#), [832](#).

§ 2.2-3117. Disclosure form

The disclosure form to be used for filings required by subsections A and D of § [2.2-3114](#) and subsections A and E of § [2.2-3115](#) shall be prescribed by the Council. Except as otherwise provided in § [2.2-3115](#), all completed forms shall be filed electronically with the Council in accordance with the standards approved by it pursuant to § [30-356](#). Any person who knowingly and intentionally makes a false statement of a material fact on the Statement of Economic Interests is guilty of a Class 5 felony.

1987, Sp. Sess., c. 1, § 2.1-639.15; 1988, c. 849; 1994, cc. [724](#), [733](#), [777](#), [793](#); 1995, c. [763](#); 1996, c. [77](#); 1997, cc. [577](#), [844](#); 1998, c. [732](#); 2001, c. [844](#); 2006, cc. [310](#), [779](#), [787](#), [892](#); 2008, c. [239](#); 2010, c. [670](#); 2012, c. [429](#); 2014, cc. [792](#), [804](#); 2015, cc. [763](#), [777](#); 2016, cc. [773](#), [774](#).

§ 2.2-3118. Disclosure form; certain citizen members

The financial disclosure form to be used for filings required pursuant to subsection B of § [2.2-3114](#) and subsection B of § [2.2-3115](#) shall be filed in accordance with the provisions of § [30-356](#). The financial disclosure form shall be prescribed by the Council. Except as otherwise provided in § [2.2-3115](#), all completed forms shall be filed electronically with the Council in accordance with the standards approved by it pursuant to § [30-356](#).

1988, c. 849, § 2.1-639.15:1; 1996, c. [77](#); 2001, c. [844](#); 2006, c. [779](#); 2011, cc. [123](#), [177](#); 2014, cc. [792](#), [804](#); 2015, cc. [763](#), [777](#); 2016, cc. [773](#), [774](#).

§ 2.2-3118.1. Special provisions for individuals serving in or seeking multiple positions or offices; reappointees

A. The filing of a single current statement of economic interests by an individual required to file the form prescribed in § [2.2-3117](#) shall suffice for the purposes of this chapter as filing for all positions or offices held or sought by such individual during the course of a calendar year. The filing of a single current financial disclosure statement by an individual required to file the form prescribed in § [2.2-3118](#) shall suffice for the purposes of this chapter as filing for all positions or offices held or sought by such individual and requiring the filing of the § [2.2-3118](#) form during the course of a calendar year.

B. Any individual who has met the requirement for annually filing a statement provided in § [2.2-3117](#) or [2.2-3118](#) shall not be required to file an additional statement upon such individual's reappointment to the same office or position for which he is required to file, provided such reappointment occurs within 12 months after filing such annual statement.

2005, c. [397](#); 2014, cc. [792](#), [804](#); 2016, cc. [773](#), [774](#); 2018, c. [529](#).

§ 2.2-3118.2. Disclosure form; filing requirements

A. An officer or employee required to file an annual disclosure on or before February 1 pursuant to this article shall disclose his personal interests and other information as required on the form prescribed by the Council for the preceding calendar year complete through December 31. An officer or employee required to file a disclosure as a condition to assuming office or employment shall file such disclosure on or before the day such office or position of employment is assumed and disclose his personal interests and other information as required on the form prescribed by the Council for the preceding 12-month period complete through the last day of the month immediately preceding the month in which the office or position of employment is assumed; however, any officer or employee who assumes office or a position of employment in January shall be required to only file an annual disclosure on or before February 1 for the preceding calendar year complete through December 31.

B. When the deadline for filing any disclosure pursuant to this article falls on a Saturday, Sunday, or legal holiday, the deadline for filing shall be the next day that is not a Saturday, Sunday, or legal holiday.

2017, cc. [829](#), [832](#).

§ 2.2-3119. Additional provisions applicable to school boards and employees of school boards; exceptions

A. Notwithstanding any other provision of this chapter, it shall be unlawful for the school board of any county or city or of any town constituting a separate school division to employ or pay any teacher or other school board employee from the public funds, federal, state or local, or for a division superintendent to recommend to the school board the employment of any teacher or other employee, if the teacher or other employee is the father, mother, brother, sister, spouse, son, daughter, son-in-law, daughter-in-law, sister-in-law or brother-in-law of the superintendent, or of any member of the school board.

This section shall apply to any person employed by any school board in the operation of the public free school system, adult education programs or any other program maintained and operated by a local county, city or town school board.

B. This section shall not be construed to prohibit the employment, promotion, or transfer within a school division of any person within a relationship described in subsection A when such person:

1. Has been employed pursuant to a written contract with a school board or employed as a substitute teacher or teacher's aide by a school board prior to the taking of office of any member of such board or division superintendent of schools; or
2. Has been employed pursuant to a written contract with a school board or employed as a substitute teacher or teacher's aide by a school board prior to the inception of such relationship; or
3. Was employed by a school board at any time prior to June 10, 1994, and had been employed at any time as a teacher or other employee of any Virginia school board prior to the taking of office of any member of such school board or division superintendent of schools.

C. A person employed as a substitute teacher may not be employed to any greater extent than he was employed by the school board in the last full school year prior to the taking of office of such board member or division superintendent or to the inception of such relationship. The exceptions

in subdivisions B 1, B 2, and B 3 shall apply only if the prior employment has been in the same school divisions where the employee and the superintendent or school board member now seek to serve simultaneously.

D. If any member of the school board or any division superintendent knowingly violates these provisions, he shall be personally liable to refund to the local treasury any amounts paid in violation of this law, and the funds shall be recovered from the individual by action or suit in the name of the Commonwealth on the petition of the attorney for the Commonwealth. Recovered funds shall be paid into the local treasury for the use of the public schools.

E. The provisions of this section shall not apply to employment by any school district of the father, mother, brother, sister, spouse, son, daughter, son-in-law, daughter-in-law, sister-in-law, or brother-in-law of any member of the school board, provided that (i) the member certifies that he had no involvement with the hiring decision and (ii) the superintendent certifies to the remaining members of the governing body in writing that the employment is based upon merit and fitness and the competitive rating of the qualifications of the individual and that no member of the board had any involvement with the hiring decision.

F. The provisions of this section shall not apply to the employment by any school district of the father, mother, brother, sister, spouse, son, daughter, son-in-law, daughter-in-law, sister-in-law, or brother-in-law of any division superintendent, provided that (i) the superintendent certifies that he had no involvement with the hiring decision and (ii) the assistant superintendent certifies to the members of the governing body in writing that the employment is based upon merit and fitness and the competitive rating of the qualifications of the individual and that the superintendent of the division had no involvement with the hiring decision.

1987, Sp. Sess., c. 1, § 2.1-639.16; 1994, c. [758](#); 1995, c. [186](#); 1997, c. [84](#); 2001, c. [844](#); 2010, cc. [676](#), [759](#); 2011, c. [517](#); 2017, cc. [146](#), [515](#); 2018, cc. [483](#), [520](#); 2019, c. [641](#).

§ 2.2-3120. Knowing violation of chapter a misdemeanor

Any person who knowingly violates any of the provisions of Articles 2 through 6 (§§ [2.2-3102](#) through [2.2-3119](#)) of this chapter shall be guilty of a Class 1 misdemeanor, except that any member of a local governing body who knowingly violates subsection A of § [2.2-3112](#) or subsection D or F of § [2.2-3115](#) shall be guilty of a Class 3 misdemeanor. A knowing violation under this section is one in which the person engages in conduct, performs an act or refuses to perform an act when he knows that the conduct is prohibited or required by this chapter.

1987, Sp. Sess., c. 1, § 2.1-639.17; 2001, c. [844](#); 2012, c. [429](#).

§ 2.2-3121. Advisory opinions

A. A state officer or employee shall not be prosecuted for a knowing violation of this chapter if the alleged violation resulted from his good faith reliance on a written opinion of the Attorney General or a formal opinion or written informal advice of the Council made in response to his written request for such opinion or advice and the opinion or advice was made after a full disclosure of the facts regardless of whether such opinion or advice is later withdrawn provided the alleged violation occurred prior to the withdrawal of the opinion or advice.

B. A local officer or employee shall not be prosecuted for a knowing violation of this chapter if the alleged violation resulted from his good faith reliance on a written opinion of the attorney for the Commonwealth or a formal opinion or written informal advice of the Council made in response to his written request for such opinion or advice and the opinion or advice was made after a full disclosure of the facts regardless of whether such opinion or advice is later withdrawn, provided

that the alleged violation occurred prior to the withdrawal of the opinion or advice. The written opinion of the attorney for the Commonwealth shall be a public record and shall be released upon request.

C. If any officer or employee serving at the local level of government is charged with a knowing violation of this chapter, and the alleged violation resulted from his reliance upon a written opinion of his county, city, or town attorney, made after a full disclosure of the facts, that such action was not in violation of this chapter, then the officer or employee shall have the right to introduce a copy of the opinion at his trial as evidence that he did not knowingly violate this chapter.

1987, Sp. Sess., c. 1, § 2.1-639.18; 2001, c. [844](#); 2003, c. [694](#); 2014, cc. [792](#), [804](#); 2015, cc. [763](#), [777](#); 2016, c. [665](#); 2017, cc. [829](#), [832](#).

§ 2.2-3122. Knowing violation of chapter constitutes malfeasance in office or employment

Any person who knowingly violates any of the provisions of this chapter shall be guilty of malfeasance in office or employment. Upon conviction thereof, the judge or jury trying the case, in addition to any other fine or penalty provided by law, may order the forfeiture of such office or employment.

1987, Sp. Sess., c. 1, § 2.1-639.19; 2001, c. [844](#).

§ 2.2-3123. Invalidation of contract; rescision of sales

A. Any contract made in violation of § [2.2-3103](#) or §§ [2.2-3106](#) through [2.2-3109](#) may be declared void and may be rescinded by the governing body of the contracting or selling governmental agency within five years of the date of such contract. In cases in which the contract is invalidated, the contractor shall retain or receive only the reasonable value, with no increment for profit or commission, of the property or services furnished prior to the date of receiving notice that the contract has been voided. In cases of rescision of a contract of sale, any refund or restitution shall be made to the contracting or selling governmental agency.

B. Any purchase by an officer or employee made in violation of § [2.2-3103](#) or §§ [2.2-3106](#) through [2.2-3109](#) may be rescinded by the governing body of the contracting or selling governmental agency within five years of the date of such purchase.

1987, Sp. Sess., c. 1, § 2.1-639.20; 2001, c. [844](#).

§ 2.2-3124. Civil penalty from violation of this chapter

A. In addition to any other fine or penalty provided by law, an officer or employee who knowingly violates any provision of §§ [2.2-3103](#) through [2.2-3112](#) shall be subject to a civil penalty in an amount equal to the amount of money or thing of value received as a result of such violation. If the thing of value received by the officer or employee in violation of §§ [2.2-3103](#) through [2.2-3112](#) increases in value between the time of the violation and the time of discovery of the violation, the greater value shall determine the amount of the civil penalty. Further, all money or other things of value received as a result of such violation shall be forfeited in accordance with the provisions of § [19.2-386.33](#).

B. An officer or employee required to file the disclosure form prescribed by § [2.2-3117](#) who fails to file such form within the time period prescribed shall be assessed a civil penalty in an amount equal to \$250. The Council shall notify the Attorney General of any state officer's or employee's failure to file the required form and the Attorney General shall assess and collect the civil penalty. The clerk of the school board or the clerk of the governing body of the county, city, or town shall notify the attorney for the Commonwealth for the locality in which the officer or employee was elected or is employed of any local officer's or employee's failure to file the required form and the attorney for the Commonwealth shall assess and collect the civil penalty. The Council shall notify the Attorney General and the clerk shall notify the attorney for the Commonwealth within 30 days

of the deadline for filing. All civil penalties collected pursuant to this subsection shall be deposited into the general fund and used exclusively to fund the Council.

1987, Sp. Sess., c. 1, § 2.1-639.21; 1994, cc. [727](#), [776](#); 2001, c. [844](#); 2012, cc. [283](#), [756](#); 2015, cc. [763](#), [777](#).

§ 2.2-3125. Limitation of actions

The statute of limitations for the criminal prosecution of a person for violation of any provision of this chapter shall be one year from the time the Attorney General, if the violation is by a state officer or employee, or the attorney for the Commonwealth, if the violation is by a local officer or employee, has actual knowledge of the violation or five years from the date of the violation, whichever event occurs first. Any prosecution for malfeasance in office shall be governed by the statute of limitations provided by law.

1987, Sp. Sess., c. 1, § 2.1-639.22; 2001, c. [844](#).

§ 2.2-3126. Enforcement

A. The provisions of this chapter relating to an officer or employee serving at the state level of government shall be enforced by the Attorney General.

In addition to any other powers and duties prescribed by law, the Attorney General shall have the following powers and duties within the area for which he is responsible under this section:

1. He shall advise the agencies of state government and officers and employees serving at the state level of government on appropriate procedures for complying with the requirements of this chapter. He may review any disclosure statements, without notice to the affected person, for the purpose of determining satisfactory compliance, and shall investigate matters that come to his attention reflecting possible violations of the provisions of this chapter by officers and employees serving at the state level of government;
2. If he determines that there is a reasonable basis to conclude that any officer or employee serving at the state level of government has knowingly violated any provision of this chapter, he shall designate an attorney for the Commonwealth who shall have complete and independent discretion in the prosecution of such officer or employee;
3. He shall render advisory opinions to any state officer or employee who seeks advice as to whether the facts in a particular case would constitute a violation of the provisions of this chapter. He shall determine which opinions or portions thereof are of general interest to the public and may, from time to time, be published.

Irrespective of whether an opinion of the Attorney General has been requested and rendered, any person has the right to seek a declaratory judgment or other judicial relief as provided by law.

B. The provisions of this chapter relating to an officer or employee serving at the local level of government shall be enforced by the attorney for the Commonwealth within the political subdivision for which he is elected.

Each attorney for the Commonwealth shall be responsible for prosecuting violations by an officer or employee serving at the local level of government and, if the Attorney General designates such attorney for the Commonwealth, violations by an officer or employee serving at the state level of government. In the event the violation by an officer or employee serving at the local level of government involves more than one local jurisdiction, the Attorney General shall designate which

of the attorneys for the Commonwealth of the involved local jurisdictions shall enforce the provisions of this chapter with regard to such violation.

Each attorney for the Commonwealth shall establish an appropriate written procedure for implementing the disclosure requirements of local officers and employees of his county, city or town, and for other political subdivisions, whose principal offices are located within the jurisdiction served by such attorney for the Commonwealth. The attorney for the Commonwealth shall provide a copy of this act to all local officers and employees in the jurisdiction served by such attorney who are required to file a disclosure statement pursuant to Article 5 (§ [2.2-3113](#) et seq.) of this chapter. Failure to receive a copy of the act shall not be a defense to such officers and employees if they are prosecuted for violations of the act.

Each attorney for the Commonwealth shall render advisory opinions as to whether the facts in a particular case would constitute a violation of the provisions of this chapter to the governing body and any local officer or employee in his jurisdiction and to political subdivisions other than a county, city or town, including regional political subdivisions whose principal offices are located within the jurisdiction served by such attorney for the Commonwealth. If the advisory opinion is written, then such written opinion shall be a public record and shall be released upon request. In case the opinion given by the attorney for the Commonwealth indicates that the facts would constitute a violation, the officer or employee affected thereby may request that the Attorney General review the opinion. A conflicting opinion by the Attorney General shall act to revoke the opinion of the attorney for the Commonwealth. The Attorney General shall determine which of his reviewing opinions or portions thereof are of general interest to the public and may, from time to time, be published.

Irrespective of whether an opinion of the attorney for the Commonwealth or the Attorney General has been requested and rendered, any person has the right to seek a declaratory judgment or other judicial relief as provided by law.

1987, Sp. Sess., c. 1, § 2.1-639.23; 2001, c. [844](#); 2003, c. [694](#).

§ 2.2-3127. Venue

Any prosecution for a violation involving an officer serving at the state level of government shall be brought in the Circuit Court of the City of Richmond. Any prosecution for a violation involving an employee serving at the state level of government shall be within the jurisdiction in which the employee has his principal place of state employment.

Any proceeding provided in this chapter shall be brought in a court of competent jurisdiction within the county or city in which the violation occurs if the violation involves an officer or employee serving at the local level of government.

1987, Sp. Sess., c. 1, § 2.1-639.24; 2001, c. [844](#).

§ 2.2-3128. Semiannual orientation course

Each state agency shall offer at least semiannually to each of its state filers an orientation course on this chapter, on ethics in public contracting pursuant to Article 6 (§ [2.2-4367](#) et seq.) of Chapter 43 of this title, if applicable to the filer, and on any other applicable regulations that govern the official conduct of state officers and employees.

2004, cc. [134](#), [392](#).

§ 2.2-3129. Records of attendance

Each state agency shall maintain records indicating the specific attendees, each attendee's job title, and dates of their attendance for each orientation course offered pursuant to § [2.2-3128](#) for a

period of not less than five years after each course is given. These records shall be public records subject to inspection and copying consistent with § [2.2-3704](#).

2004, cc. [134](#), [392](#).

§ 2.2-3130. Attendance requirements

Except as set forth in § [2.2-3131](#), each state filer shall attend the orientation course required in § [2.2-3128](#), as follows:

1. For a state filer who holds a position with the agency on January 1, 2004, not later than December 31, 2004 and, thereafter, at least once during each consecutive period of two calendar years commencing on January 1, 2006.
2. For a person who becomes a state filer with the agency after January 1, 2004, within two months after he or she becomes a state filer and at least once during each consecutive period of two calendar years commencing on the first odd-numbered year thereafter.

2004, cc. [134](#), [392](#).

§ 2.2-3131. Exemptions

A. The requirements of § [2.2-3130](#) shall not apply to state filers with a state agency who have taken an equivalent ethics orientation course through another state agency within the time periods set forth in subdivision 1 or 2 of § [2.2-3130](#), as applicable.

B. State agencies may jointly conduct and state filers from more than one state agency may jointly attend an orientation course required by § [2.2-3128](#), as long as the course content is relevant to the official duties of the attending state filers.

C. Before conducting each orientation course required by § [2.2-3128](#), state agencies shall consult with the Attorney General and the Virginia Conflict of Interest and Ethics Advisory Council regarding appropriate course content.

2004, cc. [134](#), [392](#); 2014, cc. [792](#), [804](#).

- Popular Name
- [Code of Virginia](#)
 - [Popular Names](#)
 - [2025 Updates](#)
 - SECTION LOOK UP
 -
- [Administrative Code](#)
- [Constitution of Virginia](#)
- [Charters](#)
- [Authorities](#)
- [Compacts](#)
- [Uncodified Acts](#)

Establishment of Market-Based CCSI/CBH Leasing Relationship

Background

CCSI does not hold active leases for any of its' office-based facilities occupied by CBH, with the most recent lease on record being from 2001. CBH does lease the McLaws Circle location, but from a different owner.

Payments from CBH to CCSI are "lease payments" made solely to cover the cost of annual tax, insurance or other routine expenditures. CBH does pay almost all maintenance costs for CCSI-owned buildings. Therefore, there has been no significant growth in CCSI balances for many years.

- These payments are negligible in terms of impact on the CBH operating budget, which is a "positive."
- However, this has contributed to a lack of CCSI funds available to support capital projects related to property acquisition, construction, renovation and/or maintenance.

It is the opinion of staff that CBH needs to enter Fair Market Value-based lease arrangements with CCSI as soon as practicable.

Recommended Strategic Action

It is recommended that CCSI and CBH enter lease arrangements with a target date of January 1, 2026. The leases will serve the following purposes:

1. To more accurately reflect the capital costs associated with building ownership (CCSI) and leasing (CBH), with these costs remaining within our consolidated annual audit report.
 - a. This will provide CBH with needed documentation to support inclusion of capital lease (and therefore debt service) costs in projected future cost-based reimbursement service models (i.e., CCBHC).
2. To limit CBH's future (operating budget) exposure for unexpected building maintenance and repair costs as a protection, providing needed predictability in terms of capital expenditures.
3. To build capital funding balances within CCSI that could provide support for future facility acquisition, renovation and/or expansion.

Actions Taken to Date

Upon request, our attorney has supplied a questionnaire designed to gather information needed to develop commercial leases.

A local commercial real estate firm has conducted an evaluation of our office locations and has provided us with a range of Fair Market Values (for both sale and lease) for each office property. The firm also gathered the necessary information for the attorney to

Establishment of Market-Based CCSI/CBH Leasing Relationship

complete draft leases. This information has been provided to our attorney for drafting the leases.

Important Considerations

1. These actions have revealed that adopting leases at the assessed Fair Market Value would immediately remove approximately \$500,000 from the CBH operating budget. It is untenable for CBH to undertake this effort in a single budget year. The impact of this change will need to be distributed across several years.
 - a. This can be accomplished through a multi-year lease beginning with payment equaling a reasonably low percentage ($\pm 20\%$?) of Fair Market Value, but with enhanced escalation rates for the duration of the lease.
2. Insurance coverages and stipulations resulting from these changes need to be evaluated before any final actions are endorsed.
3. CCSI may still need to have legal latitude to levy special assessments to CBH early in the lease term. This could be necessary if a very large expenditure is required prior to CCSI resources being sufficiently built.

**AGREEMENT BETWEEN COUNTY OF YORK AND COLONIAL BEHAVIORAL
HEALTH FOR PARTICIPATION IN THE HEALTH & DENTAL AND OTHER
VOLUNTARY BENEFIT PLANS**

This agreement is made and entered into as of ____ day of _____, 2025, by and between the County of York, hereinafter referred to as "the County," and Colonial Behavioral Health, a community services board created and administered pursuant to the provisions of §37.2-500 *et seq* of the Code of Virginia, 1950, as amended, hereinafter referred to as "CBH."

WHEREAS, the County is designated as the fiscal agent for CBH per the Fiscal Agent Memorandum of Agreement dated July 7, 2025; and

WHEREAS, the County provides health and dental insurance plans and other voluntary benefit programs offered now or in the future, collectively referred hereinafter to as "benefit plans", for eligible participants; and

WHEREAS, the County's benefit plan year begins on January 1 of each year and ends on December 31, with designated periods of open enrollment and new hire enrollment, all according to County policy; and

WHEREAS, CBH desires to participate in the benefit plans for its employees, subject to the terms and conditions set forth herein; and

WHEREAS, the County and CBH wish to establish the terms of CBH's participation in the benefit plans;

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the parties agree as follows:

1. PURPOSE

The purpose of this Agreement is to establish the terms under which CBH will participate in the benefit plans offered by the County and to define the respective obligations of each party.

2. DEFINITIONS

Eligible participant: a person who meets the criteria for enrollment in the County's benefit plans, as set forth in the County's Personnel Policy and applicable Administrative Directives.

Active eligible participant: An eligible participant currently employed by CBH

Retired eligible participant: Former employees who have retired from CBH

3. TERM

This Agreement shall commence on 1st day of July, 2025 and shall continue unless earlier terminated in accordance with Section 8.

4. PARTICIPATION

4.1 The County is solely responsible for the plan design of benefit plans offered to eligible participants including, but not limited to, the setting of the self-insured rates annually or the health and dental plans.

4.2 During open enrollment, CBH shall be responsible for coordinating with the County's Department of Human Resources (HR) and providing HR with the necessary information for enrolling eligible employees. County HR shall provide CBH a schedule outlining the expectations for information to be shared and deadlines to facilitate the enrollment process between the parties. The schedule will be delivered to the Director of Human Resources one week before the start of open enrollment. Failure by CBH to adhere to the enrollment policy may prevent the enrollment of an otherwise eligible participant.

4.3 Participation in the benefit plans will be governed by all applicable rules, policies, and regulations of the County.

4.4 If CBH chooses to offer retiree health and dental benefits CBH retiree participation will be governed by the policies which govern County retiree participation.

5. PAYMENT AND COSTS

5.1 For active eligible participants, CBH shall be responsible for payments for participation in the benefit plans through payroll deductions for both the employee and employer costs. The County's Finance Department shall remit the payments to the Treasurer's Office monthly.

5.2 For retired eligible participants, CBH shall be responsible for reimbursing the County for any employer retiree benefits monthly. Retiree's share of the benefit plan shall be in the manner and policies as County retirees, currently remitted by the Virginia Retirement System on the employee's behalf. Should Virginia Retirement System discontinue or otherwise make itself unavailable for the remittance procedure, the parties shall execute an Amended Agreement to establish and document an alternate procedure.

5.3 Annual Reconciliation of Premiums and Claims – For the purposes of this agreement, the annual reconciliation will be performed on a fiscal year basis, beginning in July 1 and ending in June 30 each year.

By September 30th of each year, the County will reconcile the prior fiscal year's health and dental premiums paid by CBH and its employees against the actual claims costs and carrier administrative fees incurred.

- If actual costs exceed total premiums collected: CBH will reimburse the County in full by November 15th.
- If total premiums collected exceed actual costs:
 - The County will hold the overpayment in a CBH Health and Dental Insurance Fund Reserve until the reserve balance equals at least 20% of the prior year's claims cost.
 - The Reserve will be used to offset any annual claims overages.
 - After resolving any claims overages, and reaching the 20% reserve threshold, any additional excess will be returned to CBH annually by November 15th.

6. DATA SHARING AND CONFIDENTIALITY

6.1 The parties agree to maintain the confidentiality of any personal, medical, or financial information exchanged under this Agreement in compliance with applicable laws and regulations, including but not limited to HIPAA, if applicable. Where disclosure of any such information is required by law, the party required to disclose will notify the other party of the obligation to disclose as far in advance as reasonably practicable.

6.2 Each party shall notify the other party of any unauthorized access to or disclosure of such information. Notification, via email to the County Attorney and Director of Human Resources, shall take place within one business day of the unauthorized access or disclosure.

7. INDEMNIFICATION

CBH shall indemnify, defend, and hold harmless the County, its officers, employees, and agents from and against any and all claims, damages, liabilities, or expenses arising out of or related to the negligent acts or omissions of the indemnifying party in connection with this Agreement.

8. TERMINATION

8.1 Either party may terminate this Agreement upon providing 365 days' written notice to the other party.

8.2 The County reserves the right to terminate CBH's participation in the health and dental insurance plans for non-compliance with plan requirements or non-payment of fees.

8.3 Upon termination, CBH shall ensure the transition of its employees out of the health and dental insurance plans and settle any outstanding obligations to include proper administration of any claims incurred during enrollment regardless of timing of the notice of expenditure

9. GENERAL PROVISIONS

9.1 **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. Venue for any dispute arising out of this Agreement shall be in the General District or Circuit Court for the County of York

9.2 Entire Agreement: This Agreement constitutes the entire understanding between the parties and supersedes any prior agreements or understandings pursuant to the health and dental insurance plans.

9.3 Amendments: Any modifications or amendments must be in writing and signed by both parties.

9.4 Severability: If any provision of this Agreement is found to be invalid or unenforceable, the remainder shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

COLONIAL BEHAVIORAL HEALTH

By: _____

Title: _____

Date: _____

COUNTY OF YORK

By: _____

Title: _____

Date: _____

Approved as to Form

County Attorney

No Show/Late Cancellation Fee

Background

January 1, 2015, CBH began collecting a \$10.00 fee for no show/late cancellations (less than 24 hours' notice) for outpatient therapy and medical appointments. In March 2020, the fee was suspended due to the pandemic. Recently, leadership created a collections workgroup to explore strategies to improve window collections and reduce no show/late cancellations. The workgroup determined that CBH reinstate the no show/late cancellation fee effective January 1, 2026, and that the fee be increased to \$25.00. Notice of the reinstatement of the fee will be posted for 90 days (October 1 through December 31, 2025) prior to implementation.

This change does not require an amendment to the fiscal management policy since it is covered in the procedure for collections. The FY'26 budget includes an increase in fees.

Action Item A-1

Draft Agreement with York County for Participation in Health & Dental and Other Voluntary Benefit Plans

Background:

Colonial Behavioral Health (CBH) has historically participated in York County's health, dental, and other voluntary benefit plans for its employees. The County has proposed a draft agreement to formalize the terms of participation, including the related costs and administrative responsibilities.

Susan Goodwin presented the draft agreement to the Executive Committee on September 15th and will attend the upcoming Board meeting to provide an overview and respond to any questions. The agreement has been reviewed by legal counsel.

Recommended Motion:

That the Board of Directors approve the draft agreement with York County for participation in the County's health, dental, and other voluntary benefit plans, as presented, and authorize the Executive Director to execute the agreement on behalf of CBH.

Action Item A-2

CBH Temporary Office Space

Background

As you may recall, the 2024 Space Needs Analysis confirmed what many of us already knew – Colonial Behavioral Health (CBH) has outgrown its existing office space. At that time, we were already struggling with limited capacity, and since then our needs have only intensified.

Current Pressures

- **Improved vacancy rate:** Our staff vacancy rate has declined, meaning more positions are now filled and on site.
- **Preparing for the Center for Support and Wellness (CSW):** Over the next year, we will add staff to prepare for the opening of the CSW.
- **Preparing for Supported Employment:** Over the next year, we will be planning for and likely recruiting for staff to open Supported Employment Services for individuals with DD and with SMI.
- **Program growth:** We have expanded the Permanent Supportive Housing program, launched Mobile Crisis Response, and hired staff to support the new Behavioral Health docket within our General District Court system.

Quite simply, there is no more “room at the inn.” Our current facilities cannot support these additional personnel and services without supplemental space.

Plan

To address this, CBH needs to lease temporary office space for the next year. Once the CSW opens, we anticipate some relief in our space constraints. At that time, we will evaluate whether the additional leased space remains necessary. We do not anticipate spending any significant funding to renovate the temporary space.

Proposed Space

Staff has identified office space at **223 Water Country Parkway** that meets our immediate needs:

- Over 4,500 square feet on the second floor
- Elevator access
- Furnished

- Open layout conducive to teamwork, training, and preparing for new service launches

Funding

The cost of this temporary lease will be covered using one-time crisis dollars. These funds were embedded in the budget revision adopted by the Board at its September meeting.

Action Requested

We respectfully request that the Board authorize the Executive Director to enter into and execute a lease agreement for **223 Water Country Parkway** for a 12-month term in an amount not to exceed **\$70,000**. Legal counsel will review the lease prior to execution.

Recommended Motion:

That the Board authorize the Executive Director to execute a lease agreement for 223 Water Country Parkway for a 12-month term in an amount not to exceed \$70,000, contingent upon legal counsel's review of the lease."

Action Item- A3

Fundraising Proposal

Background

Colonial Behavioral Health (CBH) is preparing for the opening of the Center for Support and Wellness (CSW) in 2026. To fully leverage this milestone, CBH engaged a fundraising consultant to assess our potential for a capital campaign. The consultant concluded that CBH has the capacity to raise between \$1 million and \$3 million in philanthropic support. In alignment with this recommendation, we are proposing to launch a campaign focused specifically on individual donors. This effort will complement our existing fundraising and development strategies while broadening CBH's base of support in the community.

Proposal

To support this campaign, CBH seeks to recruit and hire fundraising staff in fall 2025, with the goal of developing the campaign in January 2026 and formally rolling it out at the ribbon cutting of the CSW. The staffing would consist of one full-time position or a combination of part-time roles (to be determined during recruitment). This campaign effort is anticipated to span two to three years. Ongoing funding for years beyond FY26 may be supported through grants, earned revenue, or—if necessary—further allocations from reserves, subject to board approval at that time.

The rationale for this proposal is summarized as follows:

- **Timing:** Launching the campaign in conjunction with the CSW opening will maximize visibility and community enthusiasm.
- **Capacity:** Dedicated staff are essential for planning, donor cultivation, and campaign execution.
- **Impact:** A successful campaign will generate significant new resources to strengthen CBH's programs and long-term sustainability.

Financial Request

Staff is requesting authorization from the Board to allocate up to \$95,000 from CBH's unrestricted reserves for the second half of FY26 to cover staffing costs for the campaign. These funds were not included in the current budget and would provide the initial investment necessary to recruit, hire, and launch this effort.

Recommended Motion

Motion: That the CBH Board of Directors authorize the use of up to \$95,000 from unrestricted reserves in FY26 to support staffing for an individual donor-focused capital campaign. Future funding beyond FY26 will be determined based on grant availability, earned revenue, and subsequent board approval.

COLONIAL BEHAVIORAL HEALTH
Executive Director's Report – October 2025

Agency Issues

1. Building 1 (Merrimac campus) has finally been able to reopen after the interior flooding incident in early June. Contractor and supply chain delays caused this process to take far longer than anticipated, but we are glad to be able to return to more normalized functioning.
2. All permits have now been secured which means construction of the Center of Support and Wellness is officially cleared to begin. We are ready to move forward.
3. On September 26, 2025, building 3 (Merrimac Campus) was hit by lightning which caused a power surge that knocked out services to the building. The fire alarm control system and hardware that controls the phones and data ports were destroyed. The building was closed to staff and clients for the day.

Community Issues

1. The CSW Groundbreaking event was held on September 10th and was a resounding success! We received high praise from the Governor's security team for the way the event was structured and managed, and one legislator was prompted to offer submission of a state budget amendment to support Phase 2 of the project. Our staff, led by Kyra Cook, deserve full credit for this success!
2. In recognition of recovery month, the Historic Triangle Drug Prevention Coalition (HTDPC) in partnership with SpiritWorks Foundation hosted two free screenings of Together: Family Recovery, a documentary sharing the powerful stories of three families impacted by addiction - highlighting the vital role of families in recovery. The event was well received with over 65 individuals in attendance. The screenings were supported by CBH prevention funds.

Public Policy

1. We will be seeking an audience with the successful candidates in each General Assembly election in our area. We have not renewed our Legislative Teams this year but want to make these meetings open to each interested and available members of our Board. We thank you in advance for your support!
2. Virginia Medicaid (DMAS) and DBHDS are "sunsetting" and redesigning several services for the SMI population. This Redesign has significant implications for our services and funding. Immediate available details are insufficient, so a presentation on this effort is planned for the Board in our November meeting. [DMAS BH Redesign Announcement Flyer](#)

Respectfully submitted,
David A. Coe
Marsha Obremski



YEAR TO DATE REVENUES AND EXPENDITURES
as of
August 31, 2025

REVENUE

CATEGORY	TOTAL BUDGET	RECEIVED YTD	BUDGET YTD	% RECEIVED	BALANCE
State	\$ 11,936,138	\$ 2,296,326	\$ 1,989,356	115%	\$ 306,970
Local	\$ 4,147,000	682,500	691,167	99%	\$ (8,667)
Fees	\$ 6,545,920	1,127,748	1,090,987	103%	\$ 36,762
Grants/Other	\$ 602,042	246,743	100,340	246%	\$ 146,403
Total Revenue	\$ 23,231,100	\$ 4,353,318	\$ 3,871,850	112%	\$ 481,468

EXPENDITURES

CATEGORY	TOTAL BUDGET	EXPENDED YTD	BUDGET YTD	% EXPENDED	BALANCE
Personnel	\$ 18,312,073	\$ 2,674,985	\$ 2,817,242	95%	\$ 142,257
Staff Development	\$ 107,757	\$ 15,320	17,960	85%	2,640
Facility	\$ 1,433,864	\$ 181,646	238,977	76%	57,332
Equipment and Supplies	\$ 837,185	\$ 128,543	139,531	92%	10,988
Transportation	\$ 184,408	\$ 14,184	30,735	46%	16,551
Consultant and Contractual	\$ 2,138,882	\$ 157,728	356,480	44%	198,752
Client Supports	\$ 87,348	\$ 13,435	14,558	92%	1,123
Miscellaneous	\$ 129,583	\$ 7,559	21,597	35%	14,038
Total Expenditures	\$ 23,231,100	\$ 3,193,400	\$ 3,637,080	88%	\$ 443,680

Operating Margin	\$ -	\$ 1,159,918
------------------	------	--------------

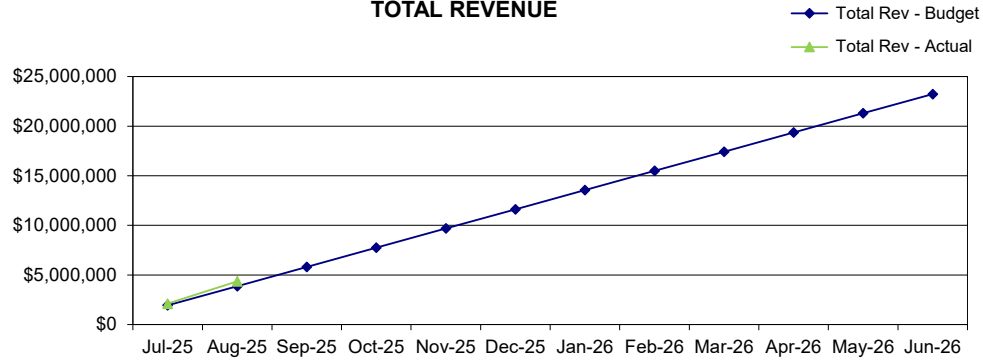
Unless noted otherwise, all amounts are modified cash basis: revenues recognized when earned and received; expenditures upon disbursement

8/31/25 Cash Balance \$ 14,820,196

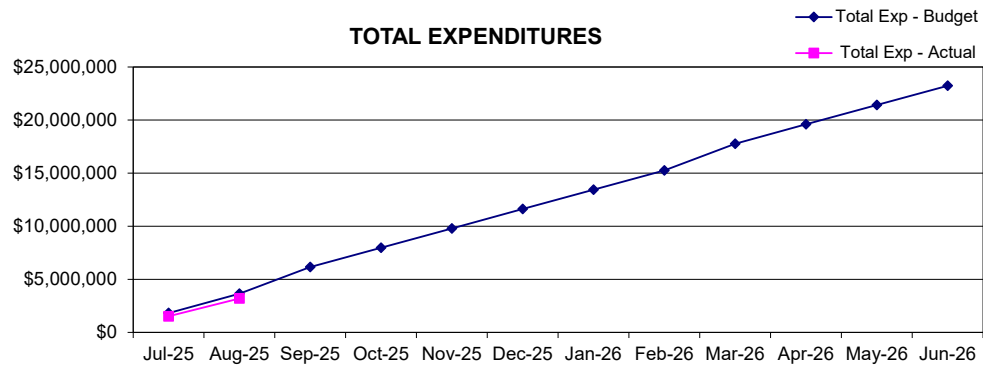
CRISIS SERVICES CENTER PROJECT

CATEGORY	PROJECT BUDGET	PROJECT TO DATE
DBHDS Grant	\$ 12,000,000	\$ 2,000,000
Interest Earned		\$ 8,656
Total Revenue	\$ 12,000,000	\$ 2,008,656
Personnel		\$ 124,021
Mileage		\$ 500
Consultant and Contractual		\$ 845,043
Miscellaneous		\$ 75
Total Expenditures		\$ 969,639

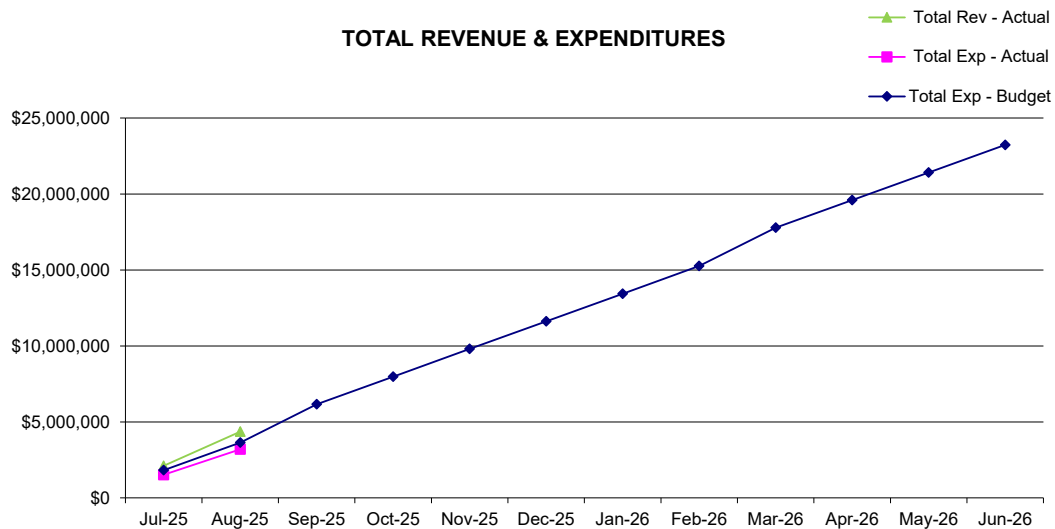
TOTAL REVENUE



TOTAL EXPENDITURES

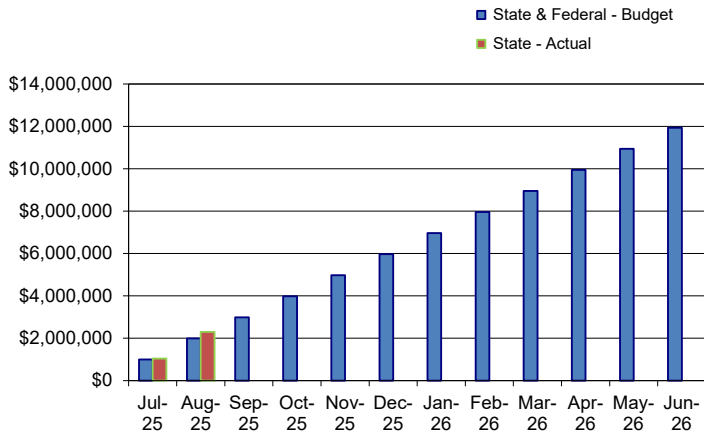


TOTAL REVENUE & EXPENDITURES

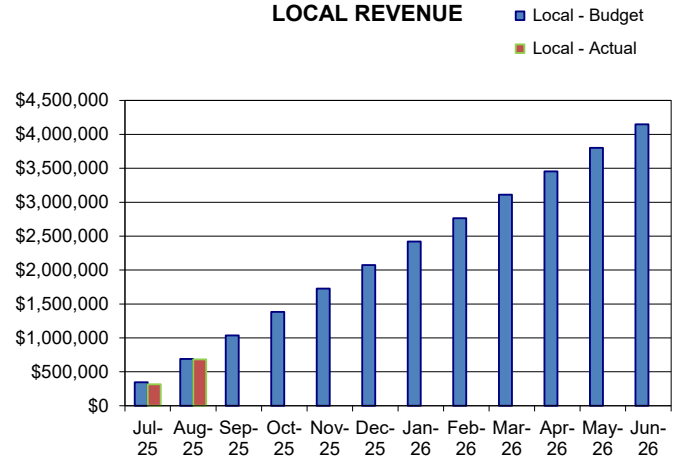


YEAR TO DATE REVENUE
as of
08/31/25

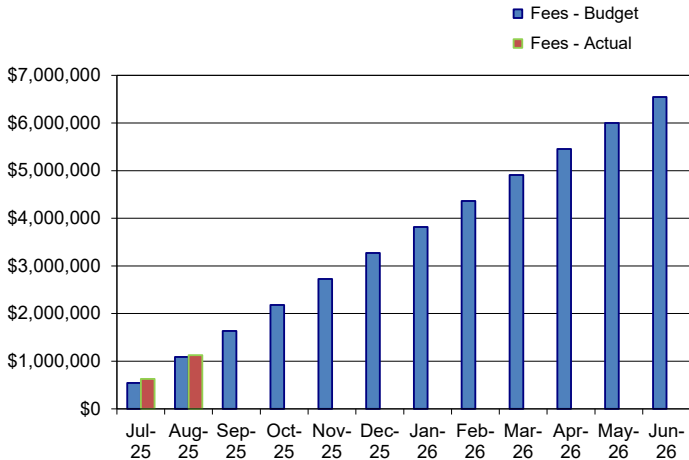
STATE & FEDERAL REVENUE



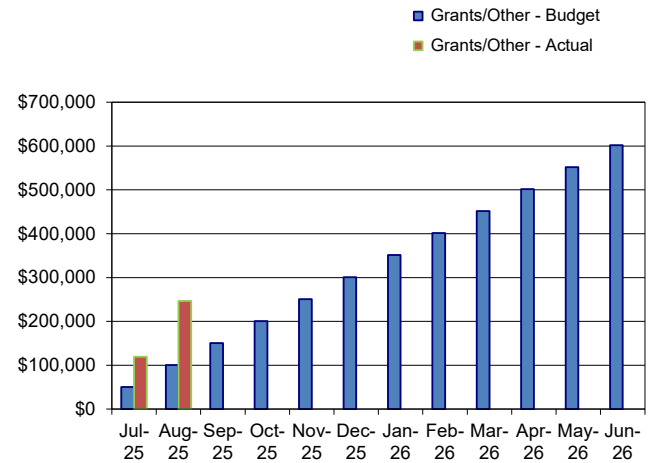
LOCAL REVENUE



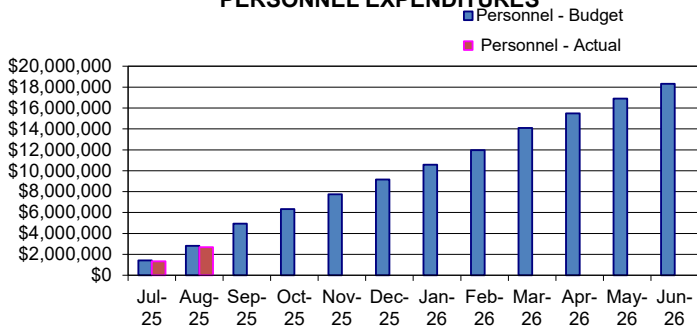
FEE REVENUE



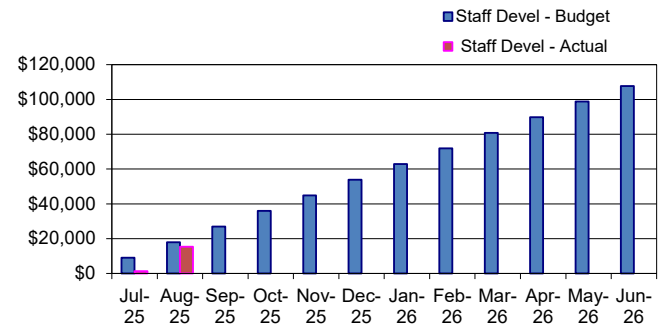
GRANTS & OTHER REVENUE



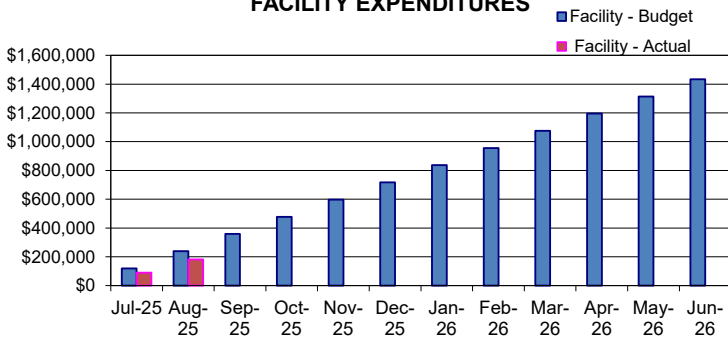
PERSONNEL EXPENDITURES



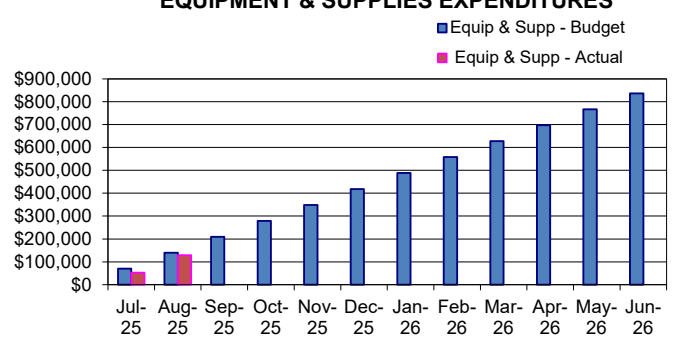
STAFF DEVELOPMENT EXPENDITURES



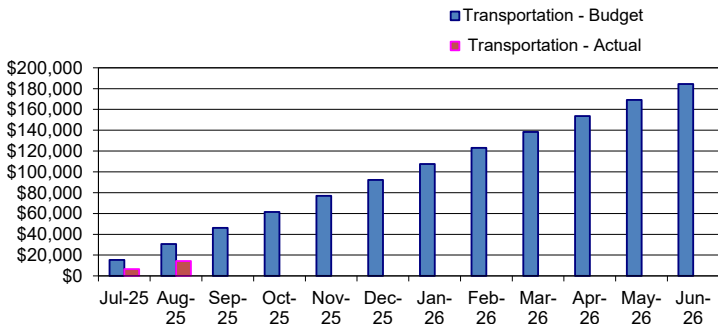
FACILITY EXPENDITURES



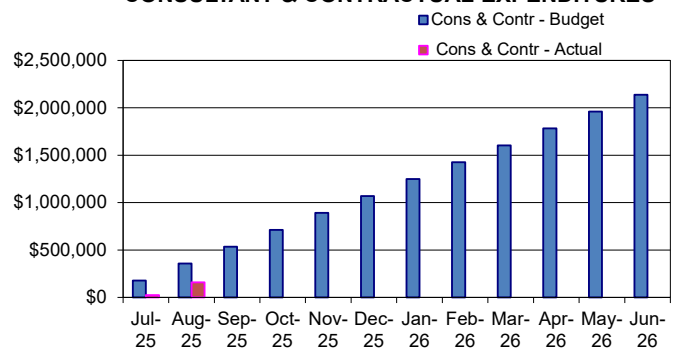
EQUIPMENT & SUPPLIES EXPENDITURES



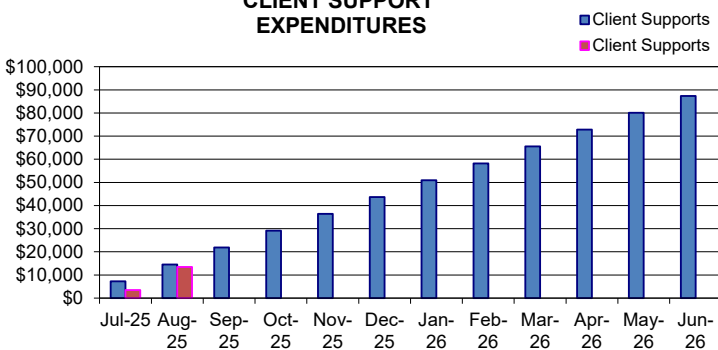
TRANSPORTATION EXPENDITURES



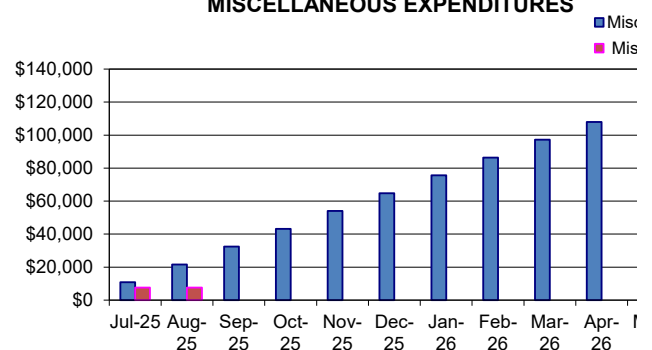
CONSULTANT & CONTRACTUAL EXPENDITURES



CLIENT SUPPORT EXPENDITURES



MISCELLANEOUS EXPENDITURES



Recruitment Update: September 10, 2025

Employee Recruiting Update:

For the period of August 12, 2025-September 10, 2025, Colonial Behavioral Health is actively recruiting the following: 23 full-time, 3 part-time and 4 PRN/WAR positions. Additionally, CBH has had 3 additional hires (1 onboarded and 2 scheduled for onboarding) since the last reporting period.

Employee Separation Update:

The agency has experienced 8 employment separations (six full time and two PRN/WAR) and one retirement.