

## **Conflict of Interest Policy, Nurses for the Nations**

### Article I

#### Purpose

**The purpose of the conflict of Interest Policy is to protect Nurses for the Nations (N4N) tax-exempt organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of the organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable State or Federal laws governing conflict of interest applicable to non profit and charitable organizations.**

### Article II

#### Definitions

##### 1. Interested Person

**Any Director, principle officer or member of a committee with governing board delegated powers who has a direct or indirect financial interest, as defined below as an interested person**

##### 2. Financial Interest

**A person has a financial interest if the person has directly or indirectly through business, investment or family:**

- a. An ownership or investment in any entity with which the organization has a transaction or arrangement**
- b. A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement**
- c. A potential ownership or investment interest in, or compensation arrangement with any entity or individual with which the organization is negotiating a transaction or arrangement.**

**Compensation includes direct or indirect remuneration as well as gifts or favors that are not insubstantial.**

**A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.**

## Article III

### Procedures

#### I. Duty to Disclose

**In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of the committees with governing board delegated powers considering proposed transaction or arrangement.**

#### II. Determining whether a Conflict of Interest exists

**After disclosure of the financial interest and all material facts, and after any discussions with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.**

#### III. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.**
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.**
- c. After exercising due diligence, the governing board or committee shall determine whether the organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.**
- d. If a more advantageous transaction rearrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the organization's best interest, for its own benefit,**

#### IV. Violation of a Conflict of Interest

- a. **If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.**
- b. **If after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.**

#### Article IV

##### Records of Proceedings

- a. **The minutes of the governing board and all committees with board delegated powers shall contain**
  1. **The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action to determine whether a conflict of interest was present, and the governing board or committee's decision as to whether a conflict of interest in fact existed.**
  2. **The names of the person who were present for discussions and voted relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.**

#### Article V

##### Compensation

- a. **A voting member of the governing board who receives compensation, directly or indirectly from the organization for services is precluded from voting on matters to that members compensation**
- b. **A voting member of any committee whose jurisdiction includes compensation matters and who received compensation, either or indirectly from the organization, either individually or collectively is prohibited from providing information to any committee regarding compensation.**

- c. A voting member of any committee whose jurisdiction includes compensation matters and who received compensation, either or indirectly from the organization for services is precluded from voting on matters pertaining to that member's compensation.

## Article VI

### Annual Statements

**Each Director, principle officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such:**

- a. Has received a copy of the Conflict of Interest
- b. Has read and understand s the policy
- c. Has agreed to comply with the policy
- d. Understands the organization is charitable and in order to maintain its Federal Tax Exemption it must engage primarily in activities which accomplish one or more or its tax-exempt purposes.

## Article VII

### Periodic Review

**To ensure the organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic review shall be conducted.**

**Periodic reviews shall, at a minimum include:**

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arms length bargaining
- b. Whether partnerships, joint ventures and arrangements with management organizations conform to the organizations written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurnment, impermissible private benefit or in excess benefit transaction.

**When conducting periodic reviews as provided for in Article VII, the organization may, but need not necessarily utilize outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.**