

# Conflict of Interest Policy

## **Narayan Seva Sansthan (NSS)**

A California Nonprofit Public Benefit Corporation

### **1. Purpose**

To protect NSS when considering transactions that could benefit the private interests of directors, officers, staff, or others.

### **2. Covered Persons**

Applies to:

- Directors and officers
- Key staff and employees
- Consultants, contractors, and volunteers in authority

### **3. Financial Interest**

A person has a financial interest if they or family members have:

- Ownership/investment in an entity NSS works with
- Compensation from such an entity
- Potential ownership, investment, or compensation with an entity NSS is negotiating with

Having a financial interest does not always mean a conflict. The Board decides if one exists under California law.

### **4. Duty to Disclose**

Anyone with a financial interest must disclose it to the Board or committee reviewing the matter.

### **5. Determining a Conflict**

- The interested person shares facts, then leaves the meeting.
- The Board may appoint someone to explore alternatives.
- Disinterested directors decide if the transaction is in NSS's best interest, furthers its mission, and complies with law.

### **6. Records**

Minutes must show:

- Who disclosed interests and what they were
- Who was present, what was discussed, alternatives considered, and voting results

### **7. Violations**

If someone fails to disclose:

- The Board informs them and hears their explanation
- If confirmed, corrective action may include censure, removal, termination, or other lawful steps

### **8. Annual Statements**

Directors, officers, and committee members must annually affirm they:

- Received, read, and agree to follow this policy
- Understand NSS is charitable and must act for tax-exempt purposes

### **9. Periodic Reviews**

*Regular reviews ensure:*

- *Partnerships and transactions follow policy*
- *Records show fair payments*
- *Activities further charitable purposes and avoid private benefit or excess benefit transactions*

#### **10. Compliance**

*This policy complies with:*

- *California Corporations Code § 5233*
- *California Attorney General's Guide for Charities*
- *Federal nonprofit tax regulations*