

## The National Storytelling Network Conflicts of Interest Policy

### 1. ARTICLE

#### Purpose

The purpose of the conflicts of interest policy is to protect the National Storytelling Network's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director or other leaders of the National Storytelling Network (NSN) and its component organizations. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

### 2. ARTICLE

#### Definitions

a. Interested Person

Any director principal officer, or leader of an NSN group who has a direct or indirect financial interest, as defined below, is an interested person. If a person is an interested person with respect to any entity of which NSN is a part, he or she is an interested person with respect to all entities of NSN.

b. Financial Interest

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

- i. an ownership or investment interest in any entity with which NSN has a transaction or arrangement, or
- ii. a compensation arrangement with NSN or with any entity or individual with which NSN has a transaction or arrangement, or
- iii. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which NSN is negotiating a transaction or arrangement.
- iv. uses their position to obtain employment in or compensation from NSN for members of their families or their friends;
- v. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

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 board or committee decides that a conflict of interest exists.

## ARTICLE

### Procedures

a. Dutv to Disclose

3.

Members of the Board of Directors, staff, and other NSN leaders shall not use their Board or Association relationship for their personal gain. In connection with any actual or possible conflicts of interest, any interested person aware of a conflict of interest with a matter coming before the board or any of its committees and organizations must disclose the existence of his or her financial interest and all material facts to the Board within thirty (30) days of the time said member acquires, or learns of, an interest as defined above. This public disclosure shall include the name of the company doing business with, or proposing to do business with, NSN and the interest in that company the member has as outlined in Section 2:a-d above. The member shall not vote on the subject or attempt to influence the vote of others and shall not be counted in determining a quorum if that has not already been established for the meeting. This disclosure shall be recorded in the official minutes of the Board of Directors.

b. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he or she shall leave the 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.

c. Procedures for Addressing the Conflict of Interest

i. An interested person may make a presentation at the board or committee meeting, but after such presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.

ii. The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

iii. After exercising due diligence, the board or committee shall determine whether NSN can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

iv. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in NSN's best interest and for its own benefit and whether the transaction is fair and reasonable to NSN and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

d. Violations of the Conflicts of Interest Policy

i. If the board or committee has reasonable cause to believe that 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.

ii. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## **4. ARTICLE**

### **Records of Proceedings**

The minutes of the board and all committees with board-delegated powers shall contain--

i. 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 taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.

ii. the names of the persons who were present for discussions or votes 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 therewith.

## **5. ARTICLE**

### **Penalty for Misconduct**

a. In addition to any penalty contained in any other provision of law, any Director or leader who knowingly and intentionally violates any provision of this Code may, by majority vote of the Board of Directors, be suspended or removed from office, pending legal resolution of the matter in question.

b. In the event of any misconduct, maladministration, or malfeasance of office, a Director may be removed from office.

## **6. ARTICLE**

### **Annual Statements**

Each director and chairs of each Special Interest Group shall annually sign a statement which affirms that such person--

i. has received a copy of the conflicts of interest policy,

ii. has read and understands the policy,

iii. has agreed to comply with the policy, and

iv. understands that NSN is a charitable organization and that, in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

## **7. ARTICLE**

### **Periodic Reviews**

To ensure that NSN operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

v. Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining.

vi. Whether acquisitions of provider services result in inurement or impermissible private benefit.

vii. Whether partnership and joint venture arrangements and arrangements with management service organizations conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further NSN's charitable purposes and do not result in inurement or impermissible private benefit.

viii. Whether agreements third-party payers further NSN's charitable purposes and do not result in inurement or impermissible private benefit.

## **8. ARTICLE**

### **Use of Outside Experts**

In conducting the periodic reviews provided for in Article VII, NSN may, but need not, use outside advisors. If outside experts are used their use shall not relieve the board of its responsibility for ensuring that periodic reviews are conducted.

## **9. ARTICLE**

### **Prohibited Acts**

1. Each director, principal officer and member of a committee with board delegated powers and officers of each Special Interest Group of the National Storytelling Network, shall conduct themselves in such a manner so as not to give the impression that any person can influence them or unduly enjoy favor from them with regard to the performance of their official duties.
2. Each director, principal officer and member of a committee with board delegated powers and officers of each Special Interest Group of the National Storytelling Network shall not receive monetary or material benefit as a result of their dealings with NSN. This does not apply to instances specifically excluded from law.
3. Directors and officers of the National Storytelling Network and Special Interest Groups shall refrain from engaging in any of the following activities:
  - b. Making personal investments in any enterprises that will create a conflict with their duties to NSN;
  - c. Using their position to obtain employment in NSN for members of their families or their friends;
  - d. Entering into arrangements with clients for compensation in matters that are before the NSN Board of Directors;
  - e. Disclosing confidential information acquired during the course of their official duties;
  - f. Using this information to further their personal interests;
  - g. Soliciting or accepting any gift under any circumstances in which it could be inferred that the gift

was intended to influence or reward the director for official action;  
h. Engaging in negotiations with companies doing business with or proposing to do business with NSN without the knowledge and authorization of the Directors.

## 10. ARTICLE

### Amendment

Amendments to this policy may be made after the amendment has been formally stated and considered at one meeting of the Board of Directors. This Policy may be amended by a majority vote of the Board of Directors or by a majority vote of the Executive Committee of the NSN Board of Directors.

Approved by the Board January 24, 2014  
Edited by Board September 2024

1. I \_\_\_\_\_ have received a copy of the conflict of interest policy, have read and understand the policy and agree to comply with the policy.

Further, I understand that NSN is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities, which accomplish one or more of its tax-exempt purposes.

Signed \_\_\_\_\_

Date: \_\_\_\_\_, \_\_\_\_\_

Received: \_\_\_\_\_

Position:

Elected or Appointed Director \_\_\_\_\_

SIG Chair (name SIG) \_\_\_\_\_