

# **North River Hills Neighborhood Organization**

## **Conflict of Interest Policy**

**Adopted on: Monday February 9, 2026**

### **Article I — Purpose**

The purpose of this Conflict of Interest Policy is to protect the interests of the North River Hills Neighborhood Organization ("NRHNO") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer, committee member, or key volunteer.

This policy is intended to:

- ensure decisions are made solely in the best interests of the organization and the public it serves;
- promote transparency and accountability;
- comply with applicable state and federal laws;
- support the organization's eligibility for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

### **Article II — Persons Covered**

This policy applies to:

- members of the Board of Directors
- officers
- committee members with board-delegated powers
- key volunteers who influence organizational decisions

This policy operates under the authority of the organization's bylaws. The above mentioned are referred to as "Interested Person".

### **Article III — Definition of Conflict of Interest**

A conflict of interest exists when an Interested Person has a direct or indirect financial or personal interest that could improperly influence, or appear to influence, the individual's judgment. Conflicts may be actual, potential, or perceived.

#### **Examples (Especially Relevant to Neighborhood Organizations)**

Conflicts may include, but are not limited to:

- financial interest in a business contracting with NRHNO
- ownership of property affected by an organizational position
- family relationship with a vendor or grant recipient
- personal financial gain from a project
- serving in leadership roles in organizations with competing interests
- receiving compensation from NRHNO

### **Article IV — Duty to Disclose**

An Interested Person must disclose the existence of any actual or potential conflict to the Board of Directors as soon as it becomes known.

Disclosure should include:

- the nature of the interest
- relevant financial or personal details
- any material facts necessary for informed decision-making

Disclosures shall be recorded in meeting minutes.

## **Article V — Determining Whether a Conflict Exists**

After disclosure:

1. The Interested Person shall not participate in discussions or voting on the matter.
2. The Interested Person shall leave the meeting if requested for discussions or voting.
3. The remaining board members shall determine whether a conflict exists.
4. The determination shall be documented in the minutes.

## **Article VI — Procedures for Addressing a Conflict**

If a conflict is determined to exist:

1. The Board shall consider whether a more advantageous arrangement is available that does not present a conflict.
2. The Board must approve any transaction by a majority vote of disinterested directors.

The Board must determine that the arrangement is fair, reasonable, and in the best interests of NRHNO

## **Article VII — Compensation Conflicts**

Any director who receives compensation — directly or indirectly — from NRHNO is prohibited from voting on matters pertaining to that compensation. No compensated individual may participate in setting their own compensation.

## **Article VIII — Violations of the Policy**

If the Board has reasonable cause to believe an individual failed to disclose a conflict:

1. The individual shall be informed and given an opportunity to explain.
2. If a violation is confirmed, the Board may take appropriate disciplinary action, including removal from decision-making roles.

## **Article IX — Annual Disclosure Statements**

Each director and officer shall annually sign a statement affirming that they:

- have received the policy
- understand it
- agree to comply
- will disclose conflicts

## Article X — Records of Proceedings

Meeting minutes shall document:

- the disclosure of conflicts
- persons present for discussions
- recusals
- votes taken
- the rationale for decisions

## Article XI — Periodic Reviews

To ensure the organization operates consistently with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, NRHNO shall conduct periodic reviews of:

- compensation arrangements
- vendor relationships
- partnerships
- major financial transactions

For new board members:

## Conflict of Interest Disclosure Statement

I have received and read the Conflict of Interest Policy for the North River Hills Neighborhood Organization and agree to comply with its provisions.

I understand my obligation to disclose any actual or potential conflicts of interest.

Are you free of conflicts of interests with NRHNO?

☐ Yes

☐ No (please describe): \_\_\_\_\_

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_

All activities described above are expected to be conducted in accordance with the bylaws of the North River Hills Neighborhood Organization. In the event of any conflict between this policy and the bylaws, the bylaws shall govern.

## **Conflict of Interest Policy resolution:**

"Be it resolved, that the Board of Directors adopts the Conflict of Interest Policy,

dated Monday February 9, 2026,

with the vote recorded in the meeting minutes, and maintained in the permanent records of the North River Hills Neighborhood Organization."

**Board member signatures below:**