

Annual Disclosure Questionnaire

Client's Conflict of Interest Policy (the "Policy") provides that Client will obtain information each year from its directors, officers, and key employees in order to facilitate compliance with federal and California law. This process helps Client carry out those obligations, including identifying and resolving potential conflicts and monitoring compliance with the Policy. In addition, the IRS recognizes the use of questionnaires in the diligence performed by nonprofits in preparing Form 990 disclosures about their leadership. This Questionnaire is a tool we use for these purposes.

Instructions:

- Please answer the questions on pages 2 and 3 as they relate to the ____ fiscal year, which ended on _____, _____. Please note that we ask you to identify your director positions on other organizations, if any.
- Please review the Policy.
- Please sign below once you've completed the Questionnaire.
- Please return this Questionnaire to _____ by _____.

Additional information:

- The questions, including those relating to family and business relationships, reflect both California law relating to director independence and technical Form 990 disclosure requirements, as well as general conflict of interest principles.
 - Certain terms, identified in bold, are defined in Exhibit A. These terms reflect specific requirements under California law and Form 990.
 - We may follow up with you if we have questions about any of your responses.
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Affirmation and consent to electronic communications:

By signing below, you confirm that:

- you have received, read in full, and understood the Policy and agree to comply with the Policy;
- you understand that Client is a charitable organization, and that in order to maintain its federal tax exemption, Client must engage primarily in activities that accomplish one or more of its tax-exempt purposes; and
- your disclosure below is accurate and complete, and you will notify Client if you become aware of any error or material change in the information you have provided in this Questionnaire.

If you are a director, you agree to receive e-mail and other electronic transmissions from Client, including notices of Board and committee meetings and advance reading materials for those meetings, and acknowledge that Client can rely on e-mail and other electronic communications from you as contemplated by Section 20 of the California Corporations Code.

Signature

Date

Print Name

Please contact _____ should you have any questions. We greatly appreciate your assistance.

Note: This document does not reflect or constitute legal advice. This is a sample made available by the Organizations and Transactions Clinic at Stanford Law School on the basis set out at nonprofitdocuments.law.stanford.edu. Your use of this document does not create an attorney-client relationship with the Clinic or any of its lawyers or students.

Annual Disclosure Questions	Yes	No
1. Did you receive any compensation from Client for service as an employee, director or officer of Client?	<input type="checkbox"/>	<input type="checkbox"/>
2. Are you aware of any compensation paid by Client to a family member for service as an employee, director or officer of Client?	<input type="checkbox"/>	<input type="checkbox"/>
3. Did you receive any payments from Client as an independent contractor?	<input type="checkbox"/>	<input type="checkbox"/>
4. Are you aware of any payments made by Client to a family member as an independent contractor?	<input type="checkbox"/>	<input type="checkbox"/>
5. Are you aware of any transactions between Client and any entity in which you are a director, officer, key employee , general partner, LLC manager or an owner of more than 35% of the equity interests in the entity ?	<input type="checkbox"/>	<input type="checkbox"/>
6. Are you aware of any transactions between Client and an entity in which a family member is a director, officer, key employee , general partner, LLC manager or an owner of more than 35% of the equity interests in the entity ?	<input type="checkbox"/>	<input type="checkbox"/>
7. Do you have any outstanding loans to or from Client?	<input type="checkbox"/>	<input type="checkbox"/>
8. Are you aware of any outstanding loan to or from Client and a family member ?	<input type="checkbox"/>	<input type="checkbox"/>
9. Are you aware of any outstanding loans to or from Client and any entity in which you are a director, officer, key employee , general partner, LLC manager or owner of more than 35% of the equity interests in the entity ?	<input type="checkbox"/>	<input type="checkbox"/>
10. Are you aware of any outstanding loans to or from Client and any entity in which a family member is a director, officer, key employee , general partner, LLC manager or owner of more than 35% of the equity interests in the entity ?	<input type="checkbox"/>	<input type="checkbox"/>
11. Did Client provide any grant, scholarship, stipend or other assistance to you?	<input type="checkbox"/>	<input type="checkbox"/>
12. Are you aware of any grant, scholarship, stipend or other assistance provided by Client to any of your family members ?	<input type="checkbox"/>	<input type="checkbox"/>
13. Are you aware of any grant, scholarship, stipend or other assistance provided by Client to any entity in which you are director, officer, key employee , general partner, LLC manager or an owner of more than 35% of the equity interests?	<input type="checkbox"/>	<input type="checkbox"/>
14. Are you aware of any grant, scholarship, stipend or other assistance provided by Client to any entity in which a family member is a director, officer, key employee , general partner, LLC manager or owner of more than 35% of the equity interests in the entity ?	<input type="checkbox"/>	<input type="checkbox"/>
15. Are you a family member of, or do you have any business relationship with, any current or former directors, officers, or key employees of Client?	<input type="checkbox"/>	<input type="checkbox"/>
16. Do you have a material financial interest in any entity doing business with Client not otherwise disclosed in response to the prior questions?	<input type="checkbox"/>	<input type="checkbox"/>
Please answer Question 17 below only if you are a director of Client.		
17. Are you aware of any relationship or transaction not otherwise disclosed that constitutes or could constitute an actual or apparent conflict of interest between you and Client or that could impair or appear to impair your independence ?	<input type="checkbox"/>	<input type="checkbox"/>
If you answered yes to any of these questions, please explain in the space provided on the next page. In addition, whether or not you answered yes to any questions, please identify on the next page where indicated all corporations or other entities, for-profit or nonprofit, of which you are a director or officer.		

Explanations of questions (if you answered “yes”). Please add additional pages if necessary.

Please identify all corporations and other entities, for-profit or nonprofit, of which you are a director or officer. Please add additional pages if necessary.

Exhibit A Certain Definitions

Business relationship any of the following:

- Person A is employed by Person B (i.e., in a sole proprietorship or by an organization with which Person B is associated as a trustee, director, officer, or greater-than-35% owner).
- Person A is transacting business with Person B (other than in the ordinary course of either party's business on the same terms as are generally offered to the public), directly or indirectly, in one or more contracts of sale, lease, license, loan, performance of services, or other transaction involving transfers of cash or property valued in excess of \$10,000 in the aggregate during the organization's tax year. (Indirect transactions are transactions with an organization with which Person B is associated as a trustee, director, officer, or greater-than-35% owner).
- Person A and Person B are each a director, trustee, officer, or greater-than-10% owner in the same business or investment entity.
- Please note that ownership is measured by stock ownership (either voting power or value) of an **entity** and includes indirect ownership. A "business relationship" does not include a relationship between an attorney and client, a medical professional (including psychologist) and patient, or a priest/clergy and penitent/communicant.

Compensation

all forms of cash and non-cash payments or benefits provided in exchange for services, including salary and wages, bonuses, severance payments, deferred payments, retirement benefits, fringe benefits, and other financial arrangements or transactions such as personal vehicles, meals, housing, personal and family educational benefits, below-market loans, payment of personal or family travel, entertainment, and personal use of Client property. Compensation includes payments and other benefits provided to both employees and independent contractors in exchange for services.

Entity

sole proprietorship, for-profit or nonprofit corporation, limited liability company, limited liability partnership, general or limited partnership or other organization.

Family member

any spouse, ancestors, mother-in-law, father-in-law, siblings (whether whole or half-blood), brother-in-law, sister-in-law, descendants, children (whether natural or adopted), grandchildren, great-grandchildren, and spouses of siblings, children, grandchildren, and great-grandchildren.

Grant, scholarship, stipend or other assistance

awards, prizes, contributions, noncash assistance, program related investments, cash allocations, stipends, scholarships, fellowships, research grants, and similar payments and distributions made by the organization during the tax year. It does not include salaries or other **compensation** to employees or payments to independent contractors if the primary purpose is to serve the direct and immediate needs of the organization; payments of any benefit by an IRC section 501(c)(9) voluntary employees' beneficiary association to employees of a sponsoring organization or contributing employer as described in the instructions to IRS Form 990; or grants or other assistance

to affiliates or branch offices that are not organized as legal entities separate from Client.

Independence

means that you, as director, met the following three requirements at all times during the fiscal year to which this Questionnaire relates:

- You were not compensated as an officer or other employee of Client or of a related organization.
- You did not receive total **compensation** or other payments exceeding \$10,000 during Client's tax year from Client or from related organizations as an independent contractor, other than reimbursement of expenses under an accountable plan or reasonable **compensation** for services provided in your capacity as a director.
- Neither you nor any of your **family members** were involved in the following transactions *with Client* (whether directly or indirectly through affiliation with another organization):
 - Excess benefit transactions. Excess benefit generally means the excess of the economic benefit received from Client over the consideration given (including services) by any person who is or was in a position to exercise substantial influence over the affairs of Client at any time during the five year period prior to the date of the transaction (a "**disqualified person**"). **Disqualified persons** include such person's **family members** and any **entity** for which the person is an **owner** of more than 35% of the equity interests.
 - Loan transactions.
 - **Grant, scholarship, stipend or other assistance.**
 - **Business relationships.**
 - Doing business through an organization of which you are an **owner**, director, or officer, **key employee**, LLC manager or general partner.

Key employee

any employee who receives more than \$150,000 in annual compensation from an entity and its related entities, and meets at least one of the following criteria:

- has management responsibility over at least 10% of the organization's assets, income, expenses, or activities
- has or shares authority to control or determine at least 10% of the organization's capital expenditures, budget, or employee compensation
- has responsibilities, powers, or influence over the organization similar to those of officers, directors, or trustees.

Owner

sole proprietor, stockholder, LLC member or partner. Ownership is measured by stock ownership (either voting power or value) of a corporation, profits or capital interest in a partnership or limited liability company, membership interest in a nonprofit organization, or beneficial interest in a trust. Ownership includes indirect ownership (for example, ownership in an entity that has ownership in the entity in question); there may be ownership through multiple tiers of entities.

Transaction

includes real estate and equipment leases, provision of services, sale of goods, licenses and joint ventures, partnerships and LLCs in which Client is a party or **owner**.