

**PATIENT CARE INTERVENTION CENTER**  
**Annual Board Statement Regarding Conflicts of Interest Policy**  
**And Transactions with Interested Parties Questionnaire**

Name of Interested Party: \_\_\_\_\_

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

*This annual questionnaire must be completed and signed by our directors, officers, key employees, and other persons with substantial influence over financial decisions in accordance with the Conflicts of Interest Policy. The responses include not only a description of relationships that could result in reportable transactions, but also the amount(s) if any occurred.*

In order to complete IRS Form 990 (Return of Organization Exempt from Income Tax), organizations can use a "reasonable efforts" process and provide relevant interested persons, current or former officers, directors, trustees, and reportable key employees with an annual questionnaire and the pertinent instructions and definitions to complete such questionnaire in order to ascertain and report certain transactions with such persons, their family members, and their companies in order to provide the IRS with required information on such Form 990.

In accordance with the purposes and interest of the Conflict of Interest Policy adopted by the Board of Directors of Patient Care Intervention Center requiring disclosure of certain interests, a copy of which has been furnished to me, I hereby state that I have the following affiliations and interests and no others (whether directly or indirectly) in the following transactions (and no others) and hold the following positions (and no others) that, when considered in conjunction with my position at Patient Care Intervention Center, might possibly constitute a conflict of interest.

All questions refer to circumstances existing or occurring within the time period Jan- Dec 2016. References to dollar amounts are counted in the aggregate, from all transactions in a period.

Certain key words are in bold and defined in the "**Definitions**" included at the end of this questionnaire. Be sure to read the definition of such key words in the "**Definitions**" section as the IRS definition may differ from yours.

Please answer, execute and return this questionnaire to **DeeAndrea Phillips, [dphillips@pcictx.org](mailto:dphillips@pcictx.org)**.

**Section 1: FAMILY RELATIONS**

1. Did you have a **family relationship** with any other **officer, director, trustee, or key employee** of Patient Care Intervention Center?

\_\_\_\_\_ Yes    \_\_\_\_\_ No

**If "Yes", please attach a statement that identifies such individuals and explains such relationships (e.g., the other "party(ies) name" and "family relationship").**

(See "**Definitions**" for detailed definitions of what relationships "family" include; also, answer "Yes" if any of your family members were also directors, officers, key employees, etc.)

**Section 2: BUSINESS RELATIONSHIPS**

1. Did you employ another **director, officer, or key employee** (other than as a Patient Care Intervention Center employee in his or her regular job) or vice versa (e.g., were you employed by another **director, officer or key employee**)?  
 Yes  No
  
2. Did any organization in which you were a greater-than-35% owner of employ another **director, officer, or key employee**?  
 Yes  No
  
3. Did an organization in which another **director, officer, or key employee** is a greater-than-35% owner of employ you?  
 Yes  No
  
4. Did you and any other **director, officer, or key employee** serve together as directors, trustees, officers, or greater than 10% owners in any other business (for profit or not for profit), or investment entity?  
 Yes  No
  
5. Did you (or any other organization in which you were a greater-than-35% owner) transact non-Patient Care Intervention Center business in excess of \$10,000 with any other **director, officer or key employee**, or with any organization in which another **officer, director or key employee** is a greater-than-35% owner?

For this question 5, you do not need to disclose any transaction or relationship conducted in the ordinary course of either party's business on the same terms as are generally offered to the general public. See the "**Definitions**" section for additional information, including the definition of "business relationship" and "business transaction".

Yes  No

**If you answered "Yes" to any of the above questions (1-5), please attach a statement that identifies such individuals and explains such relationships (e.g., the other "party or parties name" and "business relationship" including the nature, dates, and amounts of each business transaction).**

6. Did you have **business relationships** with Patient Care Intervention Center (other than in your role as an **officer, director or key employee**)?  
 Yes  No
  
7. Did any organization in which you (or in which you and any combination of other current or former **officers, directors, or key employees** and/or their **family members** combined) own at least 35% of, have **business relationships** with Patient Care Intervention Center?

\_\_\_\_\_ Yes \_\_\_\_\_ No

8. Did you serve as an officer, director, trustee, a key employee or were you a partner, member or shareholder with an ownership interest in excess of 5%, of any ‘for profit’ entity doing business with Patient Care Intervention Center?

\_\_\_\_\_ Yes \_\_\_\_\_ No

9. Did you have a **family member** who had a direct or indirect **business relationship** with Patient Care Intervention Center?

\_\_\_\_\_ Yes \_\_\_\_\_ No

If you answered “Yes” to any of the questions 6 to 9, please attach a statement that identifies the name of the interested persons or entities, their relationship with Patient Care Intervention Center, estimates of the financial value of the relationship during the year, and whether any interested person shared in the revenues of Patient Care Intervention Center.

### **Section 3: LOANS**

1. Did Patient Care Intervention Center provide you or a **related person** with a **loan** or any other assistance?

\_\_\_\_\_ Yes \_\_\_\_\_ No

Note: For purposes of this question, interested person includes **disqualified persons**.

If you answered “Yes”, attach a statement that identifies your relationship (or that of your related person) with Patient Care Intervention Center, the purpose of the loan, original principal amount and balance due.

### **Section 4: GRANTS AND OTHER ASSISTANCE**

1. Did Patient Care Intervention Center provide you or a **related person** with a **grant** or any other assistance?

\_\_\_\_\_ Yes \_\_\_\_\_ No

Note: This question does not require disclosure of properly approved wages paid to Patient Care Intervention Center employees.

If you answered “Yes”, please attach a statement that identifies your relationship (or that of your **related person**) with Patient Care Intervention Center and the amount of such grants or a description of the assistance, and an estimate of its value.

### **Section 5: GIFTS OR ENTERTAINMENT**

Did you:

1. receive and accept any gifts or entertainment which was provided primarily because of your affiliation with, or relationship to, Patient Care Intervention Center?  
  
\_\_\_\_\_ Yes    \_\_\_\_\_ No
  
2. accept any gift or entertainment that might influence your judgment or actions concerning the business of Patient Care Intervention Center?  
  
\_\_\_\_\_ Yes    \_\_\_\_\_ No
  
3. engage in or participate in other positions, interests, investments or activities or situations that you have not otherwise disclosed that you believe might be perceived by others as a conflict of interest?  
  
\_\_\_\_\_ Yes    \_\_\_\_\_ No

**If you answered “Yes” to any of the questions above, please attach a description of the gift, entertainment or matter.**

In accordance with the Conflict of Interest policy adopted by the Board of Directors of Patient Care Intervention Center requiring disclosures of certain interests, a copy of which has been furnished to me, I hereby state that my answers to this questionnaire are true and correct to the best of my knowledge.

I further hereby agree to supplement this questionnaire, by report, to the President of Patient Care Intervention Center, promptly upon the occurrence of any event or the acceptance of any position, which would render the statements made herein inaccurate or incomplete.

In completing this questionnaire, I acknowledge that:

- I have received a copy of the conflicts of interest policy,
- I have read and understand the conflicts of interest policy,
- I agree to comply with the policy, and
- I understand that Patient Care Intervention Center has determined by the Internal Revenue Service to be an organization exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. In order to maintain its Federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

\_\_\_\_\_  
Signature of interested party

\_\_\_\_\_  
Date

## Definitions

### **35% controlled entity**

An entity that is owned, directly or indirectly (e.g., under constructive ownership rules), by a given person, such as the organization's current or former **officers, directors, trustees, or key employees**, or the **family members** thereof (listed persons) as follows:

1. A corporation in which listed persons own more than 35% of the total combined voting power;
2. A partnership in which listed persons own more than 35% of the profits interest; or
3. A trust or estate in which listed persons own more than 35% of the beneficial interest.

**Business relationships** between two persons include the following:

1. One person is employed by the other in a sole proprietorship or by an organization with which the other is a **trustee, director, officer, key employee**, or greater-than-35% owner.
2. One person is transacting business with the other (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 Patient Care Intervention Center's tax year. Indirect transactions are transactions with an organization with which the one person is associated as a trustee, director, officer, key employee, or greater-than-35% owner.
3. The two persons are each a director, trustee, officer, or greater than 10% owner in the same business or investment entity.

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 (e.g., ownership in an entity that has ownership in the entity in question or ownership by a **family member**); there may be ownership through multiple tiers of entities.

Privileged relationship exception. For purposes of this question, a "business relationship" does not include a relationship between (1) attorney and client, (2) medical professional (including psychologist) and patient, or (3) priest/clergy and penitent/communicant.

**Business transactions.** Business transactions include but are not limited to contracts of sale, lease, license, and performance of services, whether initiated during the organization's **tax year** or ongoing from a prior year. Business transactions also include **joint ventures**, whether new or ongoing, in which either the profits or capital interest of the organization and of the interested person each exceeds 10%. The organization's charging of membership dues to its **officers, directors**, etc. are not considered business transactions for purposes of this question.

### **Compensation**

Unless otherwise provided, compensation includes 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 (whether in the form of a qualified or non-qualified employee plan, 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 the organization's property.

## Contributions

Unless otherwise provided, includes donations, gifts, bequests, grants, and other transfers of money or property to the extent that adequate consideration is not provided in exchange and that the contributor intends to make a gift, whether or not made for charitable purposes. A transaction may be partly a sale and partly a contribution.

## Control

For purposes of determining **related organizations**, control means, in regards to nonprofit organizations, whether taxable or tax-exempt:

In the case of a parent/subsidiary relationship:

- power to remove and replace (or to appoint or elect, if such power includes a continuing power to appoint or elect periodically or in the event of vacancies) a majority of the nonprofit organization's or other organization's directors or trustees,
- management or board overlap where a majority of the subsidiary organization's directors or trustees are trustees, directors, officers, employees, or agents of the parent organization.

In the case of brother/sister nonprofit organizations:

- the same persons constitute a majority of the **members of the governing body** of both organizations.

(A **member of the governing body** is a person who serves on an organization's governing body, including a director or trustee, but not if the person lacks voting power.)

In the case of stock corporations and other organizations with owners or persons having beneficial interests, whether such organization is taxable or tax-exempt, control means any of the following relationships:

- ownership of more than 50% of the stock (by voting power or value) of a corporation,
- ownership of more than 50% of the profits or capital interest in a partnership,
- ownership of more than 50% of the profits or capital interest in a limited liability company taxed as a partnership, regardless of the designation under state law of the ownership interests as stock, membership interests, or otherwise,
- being a managing partner or managing member in a partnership or limited liability company which has three or fewer managing partners or managing members (regardless of which partner or member has the most actual control),
- being a general partner in a limited partnership which has three or fewer general partners (regardless of which partner has the most actual control),
- being the sole member of a disregarded entity, or
- ownership of more than 50% of the beneficial interest in a trust.

Control may be indirect. In other words, if the organization controls Entity A which in turn controls (under the definition of **control** above) Entity B, the organization will be treated as controlling Entity B. To determine indirect control through constructive ownership of a corporation, the principles of the rules under section 318 of the Internal Revenue Code (relating to constructive ownership of stock) shall apply for purposes of determining constructive ownership of another entity (a partnership or trust). If an entity (X) controls an entity taxed as a partnership by being one of three or fewer partners or member, then an organization that controls X also controls the partnership.

## Director or Trustee

A member of the organization's **governing body**, but only if the member has any voting rights. A member of an advisory board that does not exercise any governance authority over the organization is not considered a director or trustee.

### **Disqualified person**

For purposes of the questions in the questionnaire, any person who was in a position to exercise substantial influence over the affairs of the Patient Care Intervention Center at any time during a 5-year period ending on the date of the transaction. Persons who hold certain powers, responsibilities, or interests are among those who are in a position to exercise substantial influence over the affairs of the organization. A disqualified person includes:

- Voting members of the Board of Directors
- Persons holding the power of: presidents, chief executive officers, chief operating officers, treasurers and chief financial officers
- A "**substantial contributor**" (a person that contributed during the organization's tax year at least \$5,000 and is required to be reported by name in Schedule B (Schedule of Contributors)).
- A disqualified person's **family member**
- A **35% controlled entity** of (i) a disqualified person and/or (2) family members of the disqualified person
- With respect to a transaction with a donor advised fund, a donor or donor advisor to a donor advised fund

### **Excess benefit transaction**

In the case of an **applicable tax-exempt organization**, any transaction in which an excess benefit is provided by the organization, directly or indirectly to, or for the use of, any **disqualified person** as defined in section 4958. Excess benefit means the value of the economic benefit provided by the applicable tax-exempt organization exceeds the value of the consideration (including the performance of services) received for providing such benefit.

### **Family member, family relationship**

Unless specified otherwise, the family of an individual includes only his or her spouse, ancestors, brothers and sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great grandchildren, and spouses of brothers, sisters, children, grandchildren, and great grandchildren.

**Grants** include scholarships, fellowships, internships, prizes, and awards. A grant includes the gift portion of a part-sale, part-gift transaction.

### **Key Employee**

An **employee** of an organization (other than an officer, director, or trustee) who meets all three of the following tests applied in the following order:

1. \$150,000 Test. Receives reportable **compensation** from the organization and all related organizations in excess of \$150,000 for the calendar year ending with or within the organization's tax year.
2. Responsibility Test. The employee:
  - a. Has responsibilities, powers or influence over the organization as a whole similar to those of officers, directors or trustees;
  - b. Manages a discrete segment or activity of the organization that represents 10% or more of the activities, assets, income or expenses of the organization, as compared to the organization as a whole;
  - c. Or has or shares authority to control or determine 10% or more of the organization's capital expenditures, operating budget or **compensation** of employees.
3. Top 20 Test. Is one of the 20 employees (that satisfy the \$150,000 Test and Responsibility Test) and with the highest reportable **compensation** from the organization and related organizations for the calendar year ending with or within the organization's tax year.

### **Member of the governing body**

A person who serves on an organization's **governing body**, including a **director** or **trustee**, but not if the person lacks voting power.

### **Officer**

A person elected or appointed to manage the organization's daily operations, such as a president, vice-president, secretary, or treasurer, and in some cases chairman of the Board. The officers of an organization are determined by reference to its organizing document, bylaws, or resolutions of its governing body, or as otherwise designated consistent with state law, but at a minimum include those officers required by applicable state law. For purposes of Form 990 reporting, treat the organization's top management official and top financial official (the person who has ultimate responsibility for managing the organization's finances) as officers.

**Ownership.** Ownership is measured by stock ownership (voting power or value, whichever greater) of a corporation, profits or capital interest (whichever greater) in a partnership or limited liability company, beneficial interest in a trust, or control of a nonprofit organization. Ownership includes indirect ownership (e.g., ownership in an entity that has ownership in the entity doing business with the organization); there may be ownership through multiple tiers of entities.

**Related person,** means:

- a **family member** of any of Patient Care Intervention Center's current or former **officers, directors, trustees, or key employees, of substantial contributors,** or of members of Patient Care Intervention Center's grant selection committee,
- a **35% controlled entity** of any of the Patient Care Intervention Center's current or former officers, directors, trustees, or key employees; of a **substantial contributor;** or
- an **employee** (or child of an employee) of a **substantial contributor** or of a 35% controlled entity of a **substantial contributor,** but only if the employee (or child of an employee) received the grant or assistance by the direction or advice of the **substantial contributor** or 35% controlled entity, or pursuant to a program funded by the **substantial contributor** that was intended primarily to benefit such employees (or their children).

#### **Related organization**

An organization that stands in one or more of the following relationships to the filing organization:

- Parent—an organization that **controls** (see examples of **control** in definition above) the filing organization
- Subsidiary—an organization controlled (see examples of **control** in definition above) by the filing organization
- Brother/Sister—an organization controlled (see examples of **control** in definition above) by the same person or persons that control the filing organization
- Supporting/Supported—an organization that is (or claims to be) at any time during the organization's tax year (i) a **supporting organization** of the filing organization within the meaning of section 509(a)(3), if the filing organization is a **supported organization** within the meaning of section 509(f)(3), or (ii) a supported organization, if the filing organization is a supporting organization

#### **Substantial contributor**

Is a person that contributed during the applicable organization's tax year at least \$5,000 and is required to be reported by name on Schedule B, Schedule of Contributors.