

5 tips for Form 990 conflict compliance

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It would take most of the day to enumerate all of the parts of the revamped Form 990 issued by the IRS -- and anyone who tried to read them would have a nervous breakdown before getting to the end anyway.

Probably the most important features to remember about the new 990 are that it is here to stay and it covers an extremely wide range of areas.

Catherine Oetgen and Sarah Siegel, associates in the law firm Perlman and Perlman, LLP in New York, caution that one possibly overlooked area in the new 990 is that of conflict of interest.

Many problems can now incur much stiffer penalties. Authorities can impose financial sanctions, remove directors (in extreme cases the entire board) or seek criminal penalties.

With that in mind, Oetgen and Siegel offer their five tips for conflict compliance. They are:

1. Adopt a comprehensive conflict of interest policy
2. Annually distribute disclosure questionnaires to directors, officers and key employees
3. Create a conflict decision tree to address conflict scenarios before they arise
4. Educate the board and staff on the importance of conflict disclosure
5. Review the conflict policy periodically to make sure it continues to meet the organization's needs

Source: [The NonProfit Times](#)