New Yorkers for Parks

Conflict of Interest and Related Party Transaction Policy

PURPOSE

All directors, officers and staff owe a duty of loyalty to New Yorkers for Parks (NY4P) and must act in an honest and ethical manner, in good faith and in NY4P’s best interests, rather than in their own interests or the interests of another entity or person, and must comply with applicable legal requirements. The purpose of this Conflict of Interest and Related Party Transaction Policy (this “Policy”) is to set forth procedures for monitoring, reporting, review and oversight of, and review, approval or ratification of any action taken in connection with, conflicts of interest and related party transactions.

APPLICABILITY

This Policy applies to any person who at any time during the past five years was:

1. A director of NY4P or an “affiliate” (as defined below);

2. An officer of NY4P or an affiliate;

3. A “key person” (as defined below) of NY4P or an affiliate;

4. A “relative” (as defined below) of any of the foregoing persons;

5. Any entity in which any of the foregoing persons has a 35% or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of 5%; and

6. Any other employee, volunteer, independent contractor of, or substantial contributor to, NY4P, (each, a “Covered Person” or “you”).

An “affiliate” is a person or entity that is directly or indirectly through one or more intermediaries, controlled by, or in control of, NY4P, excluding entities under common control.

A “key person” is a person who is in a position to exercise substantial influence over NY4P and, other than directors and officers, may include, without limitation, a person who: (i) founded the organization, (ii) is a substantial contributor, (iii) has authority to control a substantial portion of NY4P’s capital expenditures, operating budget or employee compensation, (iv) manages a discrete segment or activity of NY4P that represents a substantial portion of the activities, assets, income or expenses of the organization (as compared to the organization as a whole); (v) receives compensation primarily based
on revenues derived from NY4P’s activities; and/or (vi) is highly-compensated by the organization (for example, receiving annual compensation greater than $150,000). Persons who qualify as “key persons” of NY4P will be so notified by NY4P.

A “relative” is a (i) spouse or domestic partner, ancestor, child (whether natural or adopted), grandchild, great-grandchild, sibling (whether whole- or half-blood, or (ii) spouse of a child (whether natural or adopted), grandchild, great-grandchild or sibling (whether whole- or half-blood).

**CONFLICTS OF INTEREST**

A conflict of interest arises whenever the interests of NY4P come into conflict with a financial or personal interest of a Covered Person, or otherwise whenever a Covered Person’s personal or financial interest could be reasonably viewed as affecting his or her objectivity or independence in fulfilling their duties to NY4P.

While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest typically arises whenever a Covered Person has (directly or indirectly):

1. A direct or indirect interest (financial or otherwise) in a transaction, agreement or any other arrangement and in which NY4P or any affiliate participates other than one (1) of limited monetary value; (2) that would not usually be subject to Board or Audit and Finance Committee review in the ordinary course of business and is available to others on the same terms; or (3) that provides charitable benefit that is also available to others on similar terms:

2. a compensation arrangement or other interest in a transaction with NY4P;

3. a compensation arrangement or other interest in or affiliation with any entity or individual that: (i) sells goods or services to, or purchases goods or services from, NY4P; (ii) competes with NY4P; or (iii) NY4P has, or is negotiating, or contemplating negotiating, any other transaction or arrangement with;

4. the ability to use his or her position, or confidential information or the assets of NY4P, to his or her (or an affiliated party’s) personal advantage or for an improper or illegal purpose;

5. solicited or accepted any gift, entertainment, or other favor where such gift might create the appearance of influence on the Covered Person (other than gifts of nominal value, which are clearly tokens of respect and friendship unrelated to any particular transaction);

6. acquired any property or other rights in which NY4P has, or the Covered Person knows or has reason to believe at the time of acquisition that NY4P is likely to have, an interest;

7. an opportunity related to the activities of NY4P that is available to the Organization or to the Covered Person, unless the Board has made an informed decision that NY4P will not pursue that opportunity;

8. been indebted to NY4P, other than for amounts due for ordinary travel and expense advances;
9. a direct or indirect interest (financial or otherwise) that may influence his or her ability to act impartially and in the best interests of NY4P on policy matters or positions under consideration by NY4P; or

10. any other circumstance that may, in fact or in appearance, make it difficult for the Covered Person to exercise independent, objective judgment or otherwise perform effectively. On behalf of NY4P.

**CONFLICT OF INTEREST DISCLOSURE AND QUESTIONNAIRE**

All material facts related to conflicts of interest (including the nature of your interest and information about any proposed transaction, other arrangement or policy matter or position) are required to be disclosed in good faith and in writing to the Audit and Finance Committee at fthomas@ny4p.org. Disclosures should be made in advance, before any action is taken on the matter. Conflict identification and analysis can be difficult and, therefore, you are at all times expected to err on the side of caution and disclose all instances where a conflict of interest or the appearance of a conflict exists, even if you do not believe that there is an actual conflict.

Each current director, officer, key employee and permanent employee of NY4P, as well as nominees for election as director (prior to his or her initial election), must submit to the Secretary of NY4P or his or her designee at least once per year (and updated as appropriate) a questionnaire substantially in the form of the Appendix to this Policy. The Secretary of NY4P or his or her designee shall provide copies of all completed statements to the Chair of the Audit and Finance Committee.

**REVIEW AND APPROVAL**

The Audit and Finance Committee will review all conflicts of interest and determine whether to approve or ratify any such matters. The Audit and Finance Committee may only approve the underlying matter if it determines that such matter, under the terms and within the circumstances and conditions presented, is fair, reasonable, and in the best interests of NY4P. In making its determination, the Audit and Finance Committee will consider, without limitation:

1. Alternative transactions to the extent available;

2. NY4P’s mission and resources;

3. The possibility of creating an appearance of impropriety that might impair the confidence in, or the reputation of, NY4P and its work (even if there is no actual conflict or wrongdoing); and

4. Whether the conflict may result in any private inurement, excess benefit transaction or impermissible private benefit under laws applicable to tax-exempt organizations.

The approval of any matter that is the subject of this Policy shall require the approval of at least a majority of the disinterested members of the Audit and Finance Committee present and voting at the meeting.

Persons with an interest in any matter under review by the Audit and Finance Committee are not permitted to be present at or participate in any deliberations or voting by the Audit and Finance
Committee with respect to the matter giving rise to the potential conflict, and must not attempt to influence improperly the deliberation or voting on such matter. In appropriate circumstances, any such person may be called upon to provide information relevant to the determination prior to the commencement of deliberations or voting related thereto.

In the event NY4P and/or a Covered Person in error enters into or otherwise participates in a conflict of interest transaction or other covered matter that requires pre-approval by the Audit and Finance Committee pursuant to this Policy, such transaction shall promptly upon discovery of such error be presented to the Audit and Finance Committee for its review and the Audit and Finance Committee shall consider, if appropriate, whether to (i) ratify such transaction, (ii) direct the rescission or modification of the transaction, (iii) take any disciplinary action, and/or (iv) make changes to NY4P’s controls and procedures in connection with such error.

RECORDS

The minutes of the Audit and Finance Committee meeting during which a potential or actual conflict of interest is disclosed or discussed shall be documented contemporaneously with the meeting and reflect the name of the interested Covered Person, the nature of the conflict, and details of the deliberations of the disinterested directors (such as documents reviewed, any alternatives considered, comparative costs or bids, market value information and other factors considered in deliberations) and the resolution of the conflict including any ongoing procedures to manage any conflict that was approved. The interested person shall only be informed of the final decision and not of particular directors’ positions or how they voted. In addition, certain related party transactions are required to be disclosed in the notes to NY4P’s audited financial statements and its annual federal tax filing on Form 990.

COMPLIANCE

If the Audit and Finance Committee has reasonable cause to believe that a Covered Person has failed to comply with this Policy, it may make such further investigation as may be warranted in the circumstances and if it determines that a Covered Person has failed to comply with this Policy, it shall determine and take appropriate action which may include removal of the Covered Person from office or termination of his/her employment.

POLICY ADOPTION AND OVERSIGHT

The Audit and Finance Committee is responsible for providing oversight of the adoption and implementation of, and compliance with this Policy. Only directors satisfying the definition of “independence” pursuant to applicable law are permitted to participate in any deliberations or vote on matters relating to this Policy. An “independent director” is defined to mean a member of the Board who:

1. Is not and has not been within the last three years, an employee of NY4P or an affiliate of NY4P, and does not have a relative who is, or has been within the last three years, a key employee of NY4P or an affiliate of NY4P;
2. Has not received and does not have a relative who has received, in any of the last three fiscal years, more than $10,000 in direct compensation from NY4P or an affiliate of NY4P (not including reasonable compensation or reimbursement for services as a director); and

3. Is not a current employee of or does not have a substantial financial interest in, and does not have a relative who is a current officer of or has a substantial financial interest in, any entity that has made payments to or received payments from, NY4P or an affiliate of NY4P for property or services in an amount which, in any of the last three fiscal years, exceeds the lesser of: (a) $25,000 or (b) 2% of such entity’s consolidated gross revenue (which payments do not include charitable contributions).

This Conflict of Interest and Related Party Transaction Policy was adopted by the Board on January 11, 2018.