Title: Conflict of Interest and Related Parties Transactions Policy	
Review date(s): March 1, 2025; 11.14.2025, 6.5.2026	**Approved by:** Delphi Rise Board of Directors
Revised date(s): March 1, 2025; 11.14.2025; 5.31.2026	**Policy Owner:** Jen Cathy, President and CEO
Approved Date: June 15, 2026	**Original Effective Date:** February 12, 2024

Purpose

The purpose of this Conflict of Interest and Related Party Transactions Policy is to protect the interests of Delphi Rise when contemplating transactions, arrangements, or decisions that may benefit a Related Party or otherwise create an actual, potential, or perceived conflict of interest. This policy promotes transparency, integrity, sound governance practices, and responsible stewardship of organizational resources while ensuring compliance with applicable federal and state laws, including the New York Not-for-Profit Corporation Law (N-PCL), applicable funding requirements, and nonprofit fiduciary obligations.

Scope

This policy applies to all Directors, Officers, Key Employees, employees, contractors, consultants, volunteers, vendors, and members of Board committees with Board-delegated powers.

All individuals covered by this policy are responsible for conducting themselves in a manner that promotes integrity, objectivity, and the best interests of Delphi Rise. Actual, potential, and perceived conflicts of interest must be disclosed and managed in accordance with this policy.

The Board of Directors retains responsibility for the review and approval of Related Party Transactions and governance-related conflicts involving Directors, Officers, and Key Employees. Operational conflicts involving employees, contractors, consultants, volunteers, and vendors shall be reviewed and managed by organizational leadership in accordance with this policy and other applicable organizational procedures.

Nothing in this policy limits the organization's ability to establish additional conflict of interest requirements through employee handbooks, procurement policies, vendor agreements, compliance policies, or other organizational procedures.

Definitions

Related Party: Any Director, Officer, or Key Employee of Delphi Rise, any relative of such individual, or any entity in which such individual or relative has a thirty-five percent (35%) or greater ownership, beneficial interest, or controlling interest.
Related Party Transaction: Any transaction, agreement, or arrangement in which a Related Party has a financial interest and in which Delphi Rise is a participant.
Key Employee: An individual who meets the definition of a key employee under applicable federal or state law or who exercises substantial influence over the affairs of the organization.
Substantial Financial Interest: A direct or indirect financial interest that could reasonably be expected to influence an individual's judgment or decision-making regarding a transaction, agreement, or arrangement involving Delphi Rise.
Conflict of Interest: Any actual, potential, or perceived situation in which personal, financial, professional, business, or family interests may interfere, or appear to interfere, with an individual's ability to act in the best interests of Delphi Rise.

General Disclosure
Prior to election, appointment, employment, engagement, or commencement of service, and annually thereafter, each Director, Officer, Key Employee, employee, contractor, consultant, volunteer, vendor, and any other individual designated by the organization shall complete a Conflict of Interest Disclosure and Annual Attestation Form.
The disclosure shall identify any actual, potential, or perceived conflicts of interest, affiliations, business interests, outside employment, ownership interests, familial relationships, and Related Party relationships that may reasonably give rise to a conflict.

The Secretary shall maintain Board-related disclosure records and make them available to the Audit and Finance Committee as appropriate.

Ongoing Duty to Disclose
All individuals covered by this policy have a continuing obligation to disclose actual, potential, or perceived conflicts of interest as soon as they become aware of them.
Disclosure shall include all material facts relating to the conflict, including financial interests, personal relationships, outside employment, business affiliations, vendor relationships, or other circumstances that may influence, or appear to influence, the individual's judgment.

Specific Disclosure of Related Party Transactions
If a Director, Officer, or Key Employee acquires an interest in an existing or proposed transaction, agreement, or arrangement involving Delphi Rise, prompt disclosure of all material facts shall be made to the Audit and Finance Committee prior to any review, recommendation, or approval.

Audit and Finance Committee Review
The Audit and Finance Committee shall serve as the primary body responsible for reviewing actual or potential conflicts of interest and Related Party Transactions involving Directors, Officers, and Key Employees.
The Committee may establish an ad hoc Conflicts Review Committee when deemed appropriate.
If neither committee is available to act, the disinterested members of the Board of Directors shall perform this function.

Standard of Review
The Audit and Finance Committee, Conflicts Review Committee, or disinterested members of the Board shall review all material facts and determine whether the proposed transaction or arrangement is fair, reasonable, and in the best interests of Delphi Rise.

When appropriate, the reviewing body shall obtain and consider comparable bids, proposals, compensation surveys, market data, independent valuations, or other relevant information necessary to evaluate the fairness and reasonableness of the proposed transaction.

Authorization of Related Party Transactions
Delphi Rise shall not enter into any Related Party Transaction unless the reviewing body determines that:
1. The transaction is fair, reasonable, and in the best interests of Delphi Rise.
2. The transaction furthers the mission and charitable purposes of the organization.
3. No more favorable alternative arrangement is reasonably available under the circumstances.
4. Appropriate safeguards have been implemented to manage the conflict of interest.
5. The transaction complies with all applicable legal, regulatory, contractual, and funding requirements.

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Any Related Party Transaction subject to review under this policy shall also comply with the requirements of Delphi Rise's Board Finance and Governance Oversight Policy and any other applicable Board-approved financial oversight policies.

Authorization of Transactions Involving a Substantial Financial Interest
For transactions involving a substantial financial interest of a Related Party, the Audit and Finance Committee and Board shall:

1. Consider available alternatives to the proposed transaction.
2. Review appropriate comparability information or market data.
3. Determine that the transaction is fair, reasonable, and in the best interests of the organization.
4. Recommend approval to the Board when appropriate.
5. Obtain approval by a two-thirds vote of the disinterested Directors present at the meeting.

Restrictions on Participation
Any individual with an actual, potential, or perceived conflict of interest shall:

1. Promptly disclose the conflict.
2. Refrain from participating in discussions, deliberations, recommendations, evaluations, negotiations, procurement activities, contract administration, hiring decisions, or other decision-making activities related to the matter.
3. Refrain from attempting to influence the outcome of the matter.
4. Refrain from voting on the matter when applicable.

The Audit and Finance Committee, Board, or management may request factual information from the interested individual before deliberations begin.

Documentation Requirements
The minutes of any Board or Committee meeting at which a conflict of interest or Related Party Transaction is discussed shall document:

1. The nature of the conflict or financial interest.
2. The identity of the individual making the disclosure.
3. The material facts disclosed.
4. Any alternatives considered.
5. Any comparability data or market information reviewed.
6. The basis for determining that the transaction is fair, reasonable, and in the best interests of Delphi Rise.
7. The names of individuals present during discussions and voting.
8. Any recusals from discussion or voting.
9. The final vote and approval decision.

Employees, Contractors, Consultants, Volunteers, and Vendors
Employees, contractors, consultants, volunteers, and vendors must avoid situations in which personal, financial, professional, business, or family interests conflict, or appear to conflict, with the interests of Delphi Rise.
Individuals covered under this section shall promptly disclose any actual, potential, or perceived conflict of interest and cooperate fully with any review of the matter.

When a conflict is identified, Delphi Rise may implement appropriate mitigation measures, including disclosure requirements, recusal from decision-making, reassignment of duties, enhanced oversight, modification of responsibilities, termination of a contractual relationship, or other corrective action deemed necessary to protect the interests of the organization.

Failure to Disclose

If the Board, Audit and Finance Committee, President and Chief Executive Officer, Compliance Officer, Human Resources Department, or an authorized designee has reasonable cause to believe that an individual has failed to disclose an actual, potential, or perceived conflict of interest, the individual shall be informed of the basis for that belief and provided an opportunity to explain the circumstances.

Following review of the matter and any response provided, Delphi Rise may take appropriate corrective action consistent with its governing documents, personnel policies, contractual requirements, and applicable law.
Failure to disclose a known conflict of interest or comply with an approved mitigation plan may result in disciplinary action, termination of employment or engagement, removal from volunteer service, termination of a contract, removal from a Board or Committee position as permitted by law and organizational governing documents, or other corrective action as appropriate.

Audit and Governance Oversight

The Secretary shall provide disclosure statements, reports of Related Party Transactions, and relevant meeting minutes to the Audit and Finance Committee as necessary to support governance oversight, financial reporting, audit activities, and regulatory compliance.
The Audit and Finance Committee shall periodically review conflict of interest disclosures, Related Party Transactions, and compliance with this policy and report significant matters to the Board of Directors.

Annual Acknowledgment

Each Director, Officer, Key Employee, employee, contractor, consultant, volunteer, vendor, or other designated individual shall annually acknowledge in writing that they:

1. Have received a copy of this policy.
2. Have read and understand the policy.
3. Agree to comply with the policy.
4. Have completed the required Conflict of Interest Disclosure and Annual Attestation Form.
5. Understand their ongoing obligation to disclose actual, potential, or perceived conflicts of interest.

Review and Approval

This policy shall be reviewed annually by the Audit and Finance Committee and recommended to the Board of Directors for approval.

The Board of Directors shall approve all substantive revisions to this policy.

The policy shall be reviewed and updated as necessary to reflect changes in applicable laws, regulations, governance standards, organizational operations, and best practices.