**ROCHESESTER/MONROE COUNTY HOMELESS CONTINUUM OF CARE, INC. dba PARTNERS ENDING HOMELESSNESS CODE OF CONDUCT**

## Background

Rochester/Monroe County Homeless Continuum of Care, Inc. dba Partners Ending Homelessness (the "Corporation") is an organization subject to the New York Not-for-Profit Corporation Law with respect to its governance, including dealing with conflicts of interest. The Nonprofit Revitalization Act of 2013, as amended, imposes several new requirements with respect to conflicts of interest and related party transactions, in addition to the judge-made common law which deals with these concerns.

Additionally, the Corporation is an organization described in Sections 501(c)(3) and 509(a)(1), (2) or (3) of the Internal Revenue Code of 1986, as amended (the "Code"), and so is subject to the requirements of Code Section 4958 with respect to various dealings with disqualified persons.

Further, the Corporation, as a Continuum of Care, is governed by the McKinney-Vento Homeless Assistance Act as amended by The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009, and the regulations published by the United States Department of Housing ("HUD") and Urban Development. The regulations require that the Corporation adopt a conflict of interest policy and process.

The members of the Board of Directors and officers of the Corporation are responsible for upholding a public trust and are called to a higher standard of stewardship in order to meet the special privileges that our tax-exempt status allows. The actions of the members of the Board and the officers of the Corporation should meet or exceed these higher standards rather than only minimally satisfy the requirements of the Not-for-Profit Corporation Law, the Internal Revenue Code, and the regulations published by HUD. Areas of behavior to be avoided include personal conflicts of interest by members of the Board and the officers, their families and business associates, questionable investments, improper treatment of consumers, improper use of funds raised (especially for personal remuneration), expensive and inefficient fundraising practices, failure to meet legal requirements and similar offenses.

The Board has adopted the following policy designed to avoid possible conflict between the personal interests of the Board members and the officers and the interest of the Corporation. The purpose of this policy is to ensure that decisions about Corporation operations and the use and dispositions of Corporation assets are made solely in terms of benefits to the Corporation and are not influenced by any private profit or other personal benefit to the individuals affiliated with the Corporation who take part in the decision.

No policy can anticipate the fullest range of factual circumstances which may entail a conflict of interest or detrimental matter. Accordingly, it is important to interpret and apply this Code of Conduct in a way which best assists the Corporation's governing Board and others in meeting their obligations under the law. Questions arising under this Policy should be forwarded to the Chairperson for consideration and resolution.

This Code of Conduct is intended to contain in a single policy the relevant legal rules and best practices which govern the Corporation and its handling of conflicts of interest and the election of independent directors to the Corporation's Audit Committee.

## Conflict of Interest and Related Party Transactions

### Covered Persons

The Corporation strives to avoid even the appearance of impropriety in all of its actions. The following definition of Covered Person combines the definitions found in the Not-for-Profit Corporation Law (related party), the regulations implementing the Internal Revenue Code (disqualified person), and the regulations published by HUD regarding conflicts of interest. "Covered Persons" are:

- Any director or officer of the Corporation or of any affiliate of the Corporation [NPL §102(a)(23)(i)];
- Any person other than a director or officer who manages the Corporation or alone or with others controls or determines a substantial portion of the Corporation's capital or operating budget, or the capital or operating budget of any affiliate of the Corporation (a "Key Person") [NPL §102(a)(25)] [24 CFR 578.95(c), 24 CFR 578.95(d)1)];
- Any person who was, at any time during the five (5) year period ending on the date of a transaction involving the Corporation, in a position to exercise substantial influence over the affairs of the Corporation (a "Disqualified Person") [26 USC § 4858(f)(1)];
- Any Relative of a director, officer, Key Person or Disqualified Person defined as the individual's
  - Spouse or domestic partner as defined in Section 2994-A of the New York State Public Health Law [NPL §102(a)(22)(i)];
  - Ancestors [NPL §102(a)(2)(ii)];
  - Brothers and sisters (whether whole or half-blood) [NPL §102(a)(2)(ii)];
  - Children (whether natural or adopted) [NPL §102(a)(2)(ii)];
  - Grandchildren and great-grandchildren [NPL §102(a)(2)(ii)]; and
  - Spouse or domestic partner of the individual's brothers, sisters, children, grandchildren or great-grandchildren [NPL §102(a)(22)(iii)].
- Any entity is which any director, officer, Key Person, Disqualified Person or any Relative of a director, officer, Key Person or Disqualified Person has a thirty-five percent (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 five percent (5%) [NPL §102(a)(23)(iii)];
- Employees [24 CFR 578.95(c), 24 CFR 578.95(d)1)];
- Agents and consultants [24 CFR 578.95(d)1)];
- Committee members [NPL §102(a)(23)(i)]; and
- Elected or appointed officials of a recipient who exercises or is in a position to participate in decision making processes or gain inside information with regard to activities of the organization [24 CFR 578.95(d)1)].

**Transactions or Activities Subject to the Code of Conduct**

**Related Party Transaction:** Covered Persons will not participate in any transaction, agreement or other arrangement in which the Covered Person has a financial interest and in which the Corporation or any affiliate of the Corporation is a participant [NPL §§715-A(b)(3)], including but not limited to:

- **Procurement:** Covered Persons will not benefit financially from the procurement of property (goods, supplies or equipment) and services by the Corporation [24 CFR 578.95(a)].

**Corporation Board Members:** No Corporation director may participate in or influence discussions or resulting decisions concerning the award of a grant or other financial benefits to the organization that the member represents [NPL §715-A(b)(1), (b)(3), (b)(4)].

**Organizational Conflict:** An organizational conflict of interest arises when Covered Persons are unable or potentially unable to render impartial assistance in the provision of any type or amount of assistance or when a Covered Person's objectivity in performing work with respect to any activity assisted under this part is or might be otherwise impaired. This includes the development of policies in which self-serving bias may be present as well as decisions affecting the allocation of resources. [NPL §715-A(b)(1)]

**Procedures**

**Annual Acknowledgement and Disclosure Statement:** Covered Persons shall annually sign a Conflict of Interest and Related Party Disclosure Form which affirms such person has received a copy of the Code of Conduct; has read and understands the policy; has identified any real or possible conflicts of interest and has agreed to comply [NPL §§715-A(b)(2), (b)(6), (c)].

**Duty to Disclose:** Any Covered Person must disclose any actual or apparent conflict of interest and be given the opportunity to disclose the material facts to the Board by annually completing the Conflict of Interest and Related Party Disclosure Form. These statements cover situations where there are known conflicts of interest; i.e. – employed by or Board member of an organization receiving HUD CoC Funding, immediate family member is employed by or Board member of an organization receiving HUD CoC Funding, etc. Statements are submitted to the Board Chair or Executive Director and then reviewed by the Governance and Nominating Committee. [NPL §715-A(b)(2)]

Covered persons are required to disclose any actual or potential conflict identified at any point subsequent to the signing of the annual statement by informing the Board Chair or, if the Board Chair is not available, the Chair of the Governance and Nominating Committee or any other director. [NPL §715-A(b)(2)]

**Duty to Recuse: A** Covered Person has a duty to recuse him or herself from involvement in any decisions, discussions or votes in which the Covered Person believes he or she has an actual or apparent conflict of interest whether disclosed or not [NPL §§715-A(b)(4), 715(h); 24 CFR 578.95(b)].

**Consideration of Alternatives:** With respect to any related party transaction the Board shall consider alternatives to the extent available, approve the transaction by not less than a majority vote of the

Directors present at the meeting, and record the basis for the approval of the transaction and alternatives considered. [NPL §715-A(b)(3)

**Other Code of Conduct Matters**

**Acceptance of Gifts or Favors:** The solicitation and acceptance of gifts or gratuities (anything of monetary value) by a Covered Person for his or her personal benefit from contractors, parties to subcontracts or recipients is prohibited [NPL §715-A(b)(1)].

**Improper Actions:** Improper actions are actions taken by a Covered Person in the performance of their official duties that:

- Constitute a violation of any federal, state or local law;
- Constitute an abuse of authority;
- Create a substantial, specific danger to public health or safety;
- Misuse funds; or
- Constitute a failure to reveal an actual or potential conflict of interest.

**Fraud:** Fraud refers to but is not limited to intentionally providing false information or entering false information into electronic software; any dishonest or fraudulent act; forgery or alteration of an official document; misappropriation of funds, supplies or materials; destruction or intentional disappearance of records or equipment or similar related irregularities.

**Reporting Procedure and Corrective Measures**

**Reporting Violations:** Any covered person who has a reason to believe that any transaction described above has occurred shall report the activity directly to the Chairperson of the Board of Directors. If the Chairperson is not available or is suspected to be involved in the activity, the report should be made to the Vice-Chairperson, to the Chair of the Governance and Nominating Committee or another Board member.

**Investigation of Violations:** Report of violation(s) will be given to the Governance and Nominating Committee for review and investigation to be investigated as quickly as possible. If the Governance and Nominating Committee has reasonable cause to believe there is a violation of the Code of Conduct it shall inform the person for the basis of this belief and provide them with the opportunity to explain the alleged failure to disclose or other violations of the Code of Conduct. Following its review the Governance Committee shall report its findings, and recommendations for corrective action if any, to the Board at the Board's next meeting.

**Corrective Actions:** If after reviewing the Governance Committee's findings and recommendations and after making further investigation as warranted, the Board determines that an undisclosed conflict of interest was present or another violation of the Conduct of Conduct has occurred; it shall take appropriate disciplinary and corrective action to be taken which could include immediate termination from the Board or employment. . When the violation is by a Director, such Director may provide the Board with information regarding the violation, and shall be recused from any vote taken by the Board, which vote shall be taken pursuant to Section 5.4.3 of the Corporation's By-laws

## Independent Directors

The Not-for-Profit Corporation Law specifies that the Board, "*or a designated audit committee of the board comprised solely of independent directors*" shall oversee the accounting and financial reporting of the Corporation and the audit of the Corporation's financial statements. The Corporation's Bylaws establish an audit committee comprised solely of independent directors. The terms "Key Employee" and "Relative" used below are defined above in the definition of "Covered Person".

**An Independent Director** is a director who:

- Is not a current employed by Partners Ending Homelessness or any affiliate, and has not been employed by Partners Ending Homelessness or any affiliate within the last three years [NPL §102(a)(21)(i)];
- Does not have a Relative who is currently employed as a Key Employee by Partners Ending Homelessness or any affiliate and do not have a Relative who was employed as a Key Employee by Partners Ending Homelessness or any affiliate within the last three years [NPL §102(a)(21)(i)];
- Has not received, and does not have a Relative who has received more than $10,000 in direct compensation from Partners Ending Homelessness or any affiliate in any of the past three fiscal years of Partners Ending Homelessness (other than reimbursement of reasonable expenses) [NPL §102(a)(21)(ii)];
- Is not employed by, 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 provided payments, property or services to Partners Ending Homelessness, or has received payments, property or services from Partners Ending Homelessness or any affiliate of Partners Ending Homelessness which, in any of the last three fiscal years of Partners Ending Homelessness, exceeds the thresholds set forth on the following table [NPL §102(a)(21)(iii)]:

| *Entity's Annual Consolidated Net Income* | | *Value of Payments Property or Services to or from Partners Ending Homelessness do not Exceed:* |
|---|---|---|
| *Exceeds:* | *But is Less Than:* | |
| $0 | $500,000 | The lesser if $10,000 or 2% of Consolidated Gross Revenues of Entity |
| $500,000 | $10,000,000 | $25,000 |
| $10,000,000 | | $100,000 |

- Does not own (wholly or partially) and is not a director, officer or employee of the outside Partners Ending Homelessness' auditor or worked on the Partners Ending Homelessness audit at any time over the last three (3) years [NPL §102(a)(21)(iv)]; and
- Does not have a Relative who owns (wholly or partially) or who is director, officer or employee of Partners Ending Homelessness' outside auditor or worked on the Partners Ending Homelessness' audit at any time over the last three (3) year [NPL §102(a)(21)(iv)].

**Independent Director Procedures**

**Independent Director Disclosure Form:** Each member of the Board of Directors shall annually sign a statement which affirms such person is or is not an Independent Director as defined above.

**Nominations to the Audit Committee:** The Governance and Nominating Committee shall require an updated Independent Director Disclosure Form from each existing director who is being considered for nomination to the Audit Committee. The Governance and Nominating Committee shall require an Independent Director Disclosure Form for each individual being considered for the Board of Directors who has indicated an interest in serving on the Audit Committee. The Governance and Nominating Committee shall review the Independent Director Disclosure Form and determine whether the individual submitting the form is an independent director. The Governance and Nominating Committee shall only present in nomination to the Audit Committee directors who qualify as independent directors.

**Duty to Disclose:** A director who is an independent director is required to disclose any changes in his or her circumstances that may alter his or her status as an independent director at any point subsequent to the signing of the Independent Director Disclosure Form by completing a new Independent Director Disclosure form and submitting it to the Board Chair or, if the Board Chair is not available, the Chair of the Governance and Nominating Committee. The Governance and Nominating Committee shall review the submitted form and determine whether the director's status as an independent director has changed. If the director is no longer an independent director, the director shall cease to be a member of the Audit Committee and the Governance and Nominating Committee shall solicit nominations to fill the vacancy on the Audit Committee.

**Record Keeping**

**Conflict of Interest Statements:** Following review of the Conflict of Interest Statements and Annual Related Party Disclosure Statements the Governance Committee shall identify any potential conflicts of interest and Related Party transactions to the Board Chair, and shall provide the Conflict of Interest statements and any related documentation to the Executive Director of the Corporation. The Executive Director shall maintain such statements with the Corporation's policies and procedures. [NPL §715-A(b)(5)]

**Review of Violations:** The documentation related to each potential violation reviewed by the Governance Committee and the actions taken by the Committee shall be maintained with the minutes of the Committee's meetings. The documentation related to each potential violation considered by the Board and the actions taken by the Board shall be maintained with the minutes of the Board's meetings. [NPL §715-A(b)(5)]

**HISTORY:**

| EFFECTIVE DATE OF ACTION | ACTION | REPLACES POLICY DATED | REPLACED BY POLICY DATED. |
|---|---|---|---|
| 8/13/2019 | Policy documented. Board of Directors approved. | N/A | 8/13/2024 |
| 8/13/2024 | Policy revised. Board of Directors approved. | 8/13/2019 | N/A |
| 11/18/2025 | Reviewed, no changes needed. | N/A | |
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# Partners Ending Homeless

**Board of Directors**

**Conflict of Interest and Related Party Disclosure Form**

I have read, understand and agree to comply with the Partners Ending Homelessness Code of Conduct.

Initials: ____________

Please initial in the space at the end of Item A or complete Item B, whichever is appropriate, complete the balance of the form, and sign and date.

A. Neither I nor any of my relatives, as that term is defined in the Code of Conduct, has any relationship or interest (financial or otherwise) that might result in, or give the appearance of being, a conflict of interest or a related party transaction as those terms are defined in the Code of Conduct.

Initials: ____________

B. The following are relationships or interests (financial or otherwise) that might result in or appear to be an actual, apparent, or potential conflict of interest or related party transaction involving either me or one of my relatives. Please identify which of you or your relatives has the relationship or interest.

Corporate (nonprofit and for-profit) directorships, positions, and employment, including organizations that receive funding from or through Partners Ending Homelessness:

Contracts, business activities, and investments with or in organizations that receive funding from or through Partners Endling Homelessness:

Other relationships and activities:

I will promptly inform the Board Chair of Partners Ending Homelessness of any material change in the information contained in the foregoing statement, and of any actual or potential conflict of interest or related party transaction that may arise after submission of this statement.

| ______________________ | ______________________ | ______________________ |
|---|---|---|
| Type/Print Name | Signature | Date |

# Partners Ending Homeless

**Board of Directors**

**Independent Director Disclosure Form**

Certain functions relating to the review of the annual audit of the Partners Ending Homelessness, and the implementation of the Partners Ending Homelessness Conflict of Interest Policy and certain other policies are reserved to members of the Board who are "independent" as defined in the New York State Not-for-Profit Corporation Law. Members that check all of the following will be treated as independent members of the board.

*For purposes of this statement: (i) an "affiliate" means any entity controlled by, or in control of, Partners Ending Homelessness, (ii) a "relative" means a spouse, domestic partner, a sibling (whether by half or whole blood), a child, grandchild or great-grandchild, and a spouse or domestic partner of any of the foregoing, and (iii) a "key employee" means any person in a position to exercise substantial influence over Partners Ending Homelessness affairs.*

*Partners Ending Homelessness outside auditor currently and for the last three (3) years:*

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1. Employment:
   - A. ☐ I am not a current employed by Partners Ending Homelessness or any "affiliate," and have not been employed by Partners Ending Homelessness or any "affiliate" within the last three years;
   - B. ☐ I do not have a "relative" who is currently employed as a "key employee" by Partners Ending Homelessness or any "affiliate," and do not have a relative who was employed as a "key employee" by Partners Ending Homelessness or any "affiliate" within the last three years.
2. Recipient of direct compensation.
   - ☐ I have not received, and I do not have a "relative" who has received more than $10,000 in direct compensation from Partners or any "affiliate" in any of the last three fiscal years of Partners Ending Homelessness (other than reimbursement of reasonable expenses).
3. Substantial financial interest in recipient or payer of fees for property or services.
   - A. ☐ I am not employed by, and do not have a substantial financial interest in, any entity that has provided payments, property or services to Partners Ending Homelessness, or has received payments, property or services from Partners Ending Homelessness or any affiliate of Partners Ending Homelessness which, in any of the last three fiscal years of Partners Ending Homelessness, exceeds the thresholds set forth on the following table or appear on the attached list:

| *Entity's Annual Consolidated Net Income* | | *Value of Payments Property or Services to or from Partners Ending Homelessness do not Exceed:* |
|---|---|---|
| *Exceeds:* | *But is Less Than:* | |
| $0 | $500,000 | The lesser of $10,000 or 2% of Consolidated Gross Revenues of Entity |
| $500,000 | $10,000,000 | $25,000 |
| $10,000,000 | | $100,000 |

   - B. ☐ I do not have a "relative" who is a current officer of or has a substantial financial interest in, any entity described in (3)(A).
4. Outside auditor relationships.
   - A. ☐ I do not own (wholly or partially) and I am not a director, officer or employee of Partners Ending Homelessness' outside auditor, Heveron & Company, or worked on the Partners Ending Homelessness' audit at any time over the last three (3) years;
   - B. ☐ I do not have a "relative" who owns (wholly or partially) or who is director, officer or employee of Partners Ending Homelessness' outside auditor, Heveron & Company, or worked on the Partners Ending Homelessness' audit at any time over the last three (3) years

I certify that the foregoing statements are true and correct to the best of my knowledge.

| Type/Print Name | Signature | Date |
|---|---|---|

# Partners Ending Homeless

**Board of Directors**

**Independent Director Disclosure Form**

**Entities and individuals that have provided payments, property or services to Partners Ending Homelessness, or have received payments, property or services from Partners Ending Homelessness or any affiliate of Partners Ending Homelessness which, in any of the last three fiscal years of Partners Ending Homelessness, exceeds the thresholds set forth on the table presented on the previous page.**

Alcott HR Group LLC
Total Arbore3 Remodel & Design
ATS Consulting Group
Bright Space Creative
Causewave Community Partners
Heveron & Company
Karen Kinter
Marrone Consulting LLC
WellSky Corporation