

**1.06 CONFLICTS OF INTEREST POLICY**

**Prepared By: James DeGloria**  
CHIEF COMPLIANCE OFFICER

**Pages:** 29

**Approved By:**

**Effective Date:** 6/12/07

**Revised/Reviewed** 7/01/08

**Date(s):** 5/01/09

11/30/10

Executive Compliance Committee

**1.06 Conflicts of Interest Policy**

**INTRODUCTION**

New York Downtown Hospital is dedicated to conducting its activities in a professional and ethical manner that is free of inappropriate influence. The Hospital is committed to identifying, managing, reducing and/or eliminating actual or perceived Conflicts of Interest that may arise.

This Conflict of Interest Policy was developed to provide guidance to all Hospital Associates on a variety of Conflicts of Interest that may arise across the organization and to describe the procedures that we have adopted for addressing these Conflicts of Interest. It is the Hospital's goal to promote disclosure from Hospital Associates so that the Hospital and Hospital Associates can comply with all applicable federal and state law, rules and regulations and ethical obligations regarding Conflicts of Interest.

This Conflict of Interest Policy is divided into several sections. First, a section which defines the key terms used throughout this Policy. Next is a general policy that applies to all Hospital Associates. Following are sections applicable to specific members of the Hospital community who may be in positions which entail special fiduciary responsibilities to the Hospital or in which Conflicts of interest are more likely to arise or are subject to unique regulatory requirements.

Every Hospital Associate should read, understand and abide by this Conflict of Interest Policy. If you have any questions or concerns, please contact the Corporate Compliance Office at (212) 312-5695.

## **DEFINITIONS**

**Board:** the Hospital's Board of Trustees, including all committees of the Board

**Board Members:** Members of the Hospital's Board of Trustees and all members of all committees of the Board.

**Business Partner:** Any person, business, organization, association or entity that has or is seeking to do business or otherwise have a financial relationship with New York Downtown Hospital. Examples include, but are not limited to, Industry; vendors; real estate companies; travel service companies; environmental services companies; and parking garage services companies.

**Clinical Personnel:** All Hospital employees, medical staff and other contracted personnel who are involved, directly or indirectly, with the provision of patient care including physicians, nurses and technicians.

**Conflict of Commitment:** Any situation where an individual engages in external activities, whether paid or unpaid, that burden or interfere with his/her duties on behalf of the Hospital, or give the appearance of such or creates the appearance of doing so.

**Executive Compliance Committee:** The Executive Compliance Committee consists of the Chief Executive Officer, the Chief Financial Officer, the Chief Nursing Officer, the Chief Medical Officer, the Manager of Legal Affairs and the Chief Compliance Officer. Other individuals may be appointed to the Executive Compliance Committee by the Audit & Compliance Committee or by the Chief Executive Officer. The purpose of the committee includes review of Conflicts of Interest and determination of the appropriate resolution, including developing Conflict of Interest Management Plans.

**Conflict of Interest Management Plan:** A plan designed to manage, reduce or eliminate a Conflict of Interest. Such plans may include, but are not limited to, the following; (i) public disclosure (e.g., publications, presentations); (ii) restrictions on equity; (iii) limiting the individual's role and responsibilities; (iv) increased oversight; (v) divestiture; (vi) termination of relationships.

**Family:** An individual's spouse, domestic partner, children, grandchildren, great grandchildren, parents, grandparents, siblings, and spouses of the above. This term also includes any trust, organization or enterprise over which the individual and/or his/her Family exercises a controlling or significant interest.

**Financial Interest:** Anything of value including, but not limited to, salary or other payments for services (e.g. consulting fees, honoraria, gifts, loans, leases); equity interests (e.g. stocks, stock options, partnership interests); intellectual property rights (e.g. patents, copyrights, royalties, licenses); and service (whether compensated or unpaid) as an officer, manager or member of a board of directors, or other fiduciary or managerial role or other special relationship with a Business Partner that has the potential for material gain. If the financial interest is the ownership of securities which are publicly traded, such interest has to be disclosed only if the combined holdings of the securities of both the affected person and his/her immediate family constitute 5%

or more of the outstanding securities of the entity concerned. This term does not include salary and other remuneration received directly from Hospital or publicly-traded mutual funds or similar diversified financial holdings.

Gifts: Anything of value (i.e. valued in excess of \$50). Examples include, but are not limited to, meals, textbooks, stethoscopes, trips and travel, loans, leases/rentals and tickets to events.

Hospital: New York Downtown Hospital and all associated clinical settings, billing operations, research entities, and other affiliated and subsidiary entities.

Hospital Associates: All individuals associated with the Hospital including board members, officers, employees, medical staff, and contractors; however not voluntary physicians.

Industry: Any person, business, organization, association or entity involved in providing health care related goods or services that has or is seeking to do business or otherwise have a financial relationship with the Hospital. Examples included, but are not limited to, pharmaceutical manufacturers; biotechnology, medical device and equipment supply companies; research sponsors; medical education and communication companies; health insurance companies; laboratory service companies; and ambulance companies.

Key Employees: an Employee of New York Downtown Hospital (other than an Officer, Director or Trustee of the entity) who meets ALL of the following three tests:

- 1) Received reportable Compensation from New York Downtown Hospital and all Related Organizations in excess of \$150,000 for the calendar year ending within the entity's tax year;
- 2) The Employee has responsibilities, powers or influence over New York Downtown Hospital as a whole that is similar to those of Officers, Directors or Trustees; manages a discrete segment or activity of New York Downtown Hospital that represents 10% or more of the activities, assets, income, or expenses of New York Downtown Hospital, as compared to New York Downtown Hospital as a whole; or has or shares authority to control or determine 10% or more of New York Downtown Hospital's capital expenditures, operating budget, or Compensation for Employees; AND
- 3) Is one of the 20 Employees with the highest reportable income Compensation from New York Downtown Hospital and Related Organizations for the calendar year ending with or within New York Downtown Hospital's tax year.

Officers: The Hospital's elected or appointed officers as provided by the Corporate Bylaws.

Significant Financial Interest: Any Financial Interest that exceeds \$10,000 in any twelve month period or represents five percent (5%) ownership interest.

Voluntary Physicians: Physicians who are granted privileges that are not employed members of the medical staff.

## **GENERAL CONFLICT OF INTEREST POLICY**

### **A. Scope.**

This policy applies to all Hospital Associates

### **B. General Standard.**

All Hospital Associates have an obligation to make decisions and conduct the affairs of the Hospital in a way that promotes the best interests of the Hospital and avoids a Conflict of Interest or the appearance of a Conflict of Interest. Hospital Associates must refrain from using their Hospital Position, responsibilities and knowledge for inappropriate personal gain.

All Hospital Associates are responsible for knowing, understanding and complying with this Policy. All Hospital Vice Presidents are responsible for implementing this Policy within their respective departments and facilitating the disclosure, review and resolution of any Conflict of Interest.

Any Hospital Associate who is uncertain as to whether an actual or potential Conflict of Interest exists should contact the Corporate Compliance Office. Any Hospital Associate, including those in a supervisory or management role, who is concerned that an activity or arrangement may constitute a Conflict of Interest should contact the Corporate Compliance Office at (212) 312-5695.

### **C. Conflict of Interest Disclosure**

At the time an individual becomes a Hospital Associate, the Hospital Associate shall report any Actual or potential Conflicts of Interest in writing to the Corporate Compliance Office. In addition, if applicable, Hospital Associates such as department heads, managers, and other employees that are so designated by the Chief Executive Officer of the Hospital or his/her delegate who have roles in the management and or administration of the Hospital that could be influenced by a conflict of interest included, but not limited to (i) selecting individually or with others, the vendors from whom goods or services are purchased; or (ii) individuals other than officers and trustees that receive more than \$150,000 exclusive of overtime in annual compensation during the calendar year from the Hospital must complete the General Conflict of Interest Disclosure Form regarding actual or potential conflicts of interest as described in this Conflicts of Interest Policy. The form should be completed at least annually.

All Hospital Associates must report to the Corporate Compliance Office within ten (10) business days of becoming aware of an actual or potential Conflict of Interest, including a Financial Interest, related to the Hospital Associate or the Hospital Associate's Family. This report can be made on the General Conflict of Interest Disclosure Form. See Appendix

The Hospital Associate must provide all pertinent information and respond to any inquiries from the Corporate Compliance Office or the Executive Compliance Committee regarding an actual or

potential Conflict of Interest. The Hospital reserves the right to request additional information or supporting documentation.

#### **D. Conflict of Interest Resolution**

The Hospital's Corporate Compliance Officer will review the disclosure forms and take appropriate action. Appropriate action may include providing guidance to manage a Conflict of Interest, directing an investigation or referring the General Conflict of Interest Disclosure Form to the Executive Compliance Committee. All General Conflict of Interest Disclosure Forms describing a Significant Financial Interest must be referred to the Executive Compliance Committee.

The Executive Compliance Committee shall determine appropriate action, taking into account all relevant factors. This may include developing a Conflict of Interest Management Plan, where appropriate. All decisions made by the Executive Compliance Committee shall be documented.

#### **E. Appeal**

The Executive Compliance Committee may reconsider its decision upon timely submission by a Hospital Associate of new or additional relevant information. A Hospital Associate may appeal a decision of the Executive Compliance Committee to the Audit and Compliance Committee of the Board of Trustees. All decisions by the Audit and Compliance Committee of the Board of Trustees shall be final.

#### **F. Reporting**

The Corporate Compliance Officer shall report at least annually to the Executive Compliance Committee and the Audit and Compliance Committee of the Board of Trustees regarding all Conflicts of Interest.

#### **G. Enforcement**

The Corporate Compliance Officer, in consultation with the Executive Compliance Committee and/or the Audit and Compliance Committee of the Board of Trustees, as appropriate, shall review all potential violations of this Policy and determine whether a breach has occurred. Potential violations may include: (i) failing to report; (ii) providing incomplete or inaccurate information; (iii) failing to update a disclosure form when required to do so; or (iv) failing to abide by a Conflict of Interest Management Plan.

Hospital Associates who violate this Policy may be subject to discipline, up to and including termination, removal or non-removal of appointment

#### **H. Document Retention**

The Corporate Compliance Officer shall maintain all Conflict of Interest Disclosure Forms, Conflict of Interest Management Plans and related documentation for a period of at least six (6) years.

### **I. Training**

The Corporate Compliance Officer shall ensure that all Hospital Associates receive regular training on the Conflict of Interest Policy

### **J. Auditing and Monitoring**

All Conflicts of Interest disclosed under this Policy shall be subject to auditing and monitoring by the Corporate Compliance Officer, in consultation with the Executive Compliance Committee and/or the Audit and Compliance Committee of the Board of Trustees, as appropriate. Monitoring shall include the review of activity in connection with Conflict of Interest Management Plans.

### **K. Confidentiality**

To the extent possible and as permitted by law, all disclosure forms submitted pursuant to this Policy and any additional information or materials provided in connection with the disclosure form will be kept confidential and provided to the Executive Compliance Committee and other individuals on a case-by-case, need-to-know basis.

## **BOARD MEMBERS, OFFICERS AND KEY EMPLOYEES**

### **A. Scope**

This Section applies to all Hospital Board Members, Officers and Key Employees

### **B. General Standard**

Board Members, Officers and Key Employees owe special duties of care and loyalty to the Hospital. These duties should be exercised using sound judgment and the highest standards of professional and business ethics. Hospital Board Members, Officers and Key Employees must exercise their duties without a Conflict of Interest or the appearance of a Conflict of Interest.

Board Members, Officers and Key Employees must refrain from using their Hospital position, responsibilities and knowledge for inappropriate personal gain.

### **C. Conflict of Interest Disclosure**

Board Members, Officers and Key Employees shall complete the Board Members, Officers and Key Employees Conflict of Interest Disclosure Form. The form should be completed at least annually. See, Appendix. In addition, within ten (10) business days of any new relationship or significant change in a relationship involving a Hospital Board Member, Officer or Key Employee or his/her Family that would result in a change in the Form, an updated Board Members, Officers and Key Employees Conflict of Interest Disclosure Form must be completed.

The Hospital reserves the right to request a revised Board Members, Officers and Key Employees Conflict of Interest Disclosure Form at any time.

### **Conflict of Interest Resolution**

Board Members, Officers and Key Employees Conflict of Interest Disclosure Forms shall be forwarded to the Corporate Compliance Office. The Compliance Officer shall forward all forms with disclosed Conflicts of Interest to the Executive Compliance Committee or to the Audit and Compliance Committee of the Board of Trustees for review. The Audit and Compliance Committee of the Board of Trustees shall determine appropriate action taking into account all relevant factors. This may include developing a Conflict of Interest Management Plan, where appropriate. All decisions made by the Audit and Compliance Committee of the Board of Trustees shall be documented and defined.

## **EDUCATION AND CLINICAL CARE**

### **A. Scope**

This Section applies to all Hospital Associates involved in patient care, education or clinical administration. In addition, this Section applies to Voluntary Physicians designated by the Chief Executive Officer of the Hospital or his/her delegate to be involved in patient care, education or clinical administration of the Hospital that could be influenced by a conflict of interest included, but not limited to selecting individually or with others, the vendors from whom goods or services are purchased.

### **B. General Standard**

Collaborations with and interactions with Industry are beneficial to the Hospital, its patients and Hospital Associates. However, these relationships do create potential Conflicts of Interest. Interactions with Industry must be conducted in a manner that avoids or minimizes even the appearance of Conflict of Interest.

All Hospital Associates subject to this Section must report annually the following:

1. All consulting relationships with Industry, scientific or medical non-profit organizations and medical education and communication companies;
2. All payments or other remuneration received from Industry in connection with authorship and writing medical literature
3. All patents, royalty payments, licenses and similar arrangements with Industry; and
4. Any other Financial Interest in Industry.

### **C. Conflict of Interest Disclosure**

In addition to their obligations to make disclosures under this policy, all Hospital Associates who are members of the Medical Staff and any Voluntary Physician designated by the Chief Executive Officer of the Hospital or his/her delegate must complete a General Conflict of Interest Disclosure Form as part of the credentialing process. See Appendix. Within ten (10) business days of any new relationship or significant change in a relationship related to the Hospital Associate or the Hospital Associate's Family or to the Voluntary Physician or Voluntary Physician's Family, an updated General Conflict of Interest Disclosure Form must be completed.

The Hospital reserves the right to request a complete report of all outside activities and payments and other remuneration received from Industry at any time.

#### **D. Conflict of Interest Resolution**

The Hospital's Corporate Compliance Officer will review the disclosure forms and take appropriate action. Appropriate action may include providing guidance to manage a Conflict of Interest, directing an investigation or referring the General Conflict of Interest Disclosure Form to the Executive Compliance Committee. All General Conflict of Interest Disclosure Forms describing a Significant Financial Interest must be referred to the Executive Compliance Committee.

The Executive Compliance Committee shall determine the appropriate action, taking into account all relevant factors. This may include developing a Conflict of Interest Management Plan, where appropriate. All decisions made by the Executive Compliance Committee shall be documented.

## **ADMINISTRATION AND PURCHASING**

### **A. Scope**

This Section applies to all Hospital Associates involved in business deals or purchasing decisions made on behalf of the Hospital including, but not limited to, individuals who arrange professional travel, meeting planning, purchasing equipment or supplies, supply chain, contract negotiation, members of the Hospital's formulary committee and any subcommittees, and members of the Hospital's medical device procurement committee and any subcommittees.

### **B. General Standard**

Hospital Associates involved in administrative or purchasing decisions made on behalf of the Hospital must refrain from using their Hospital position, responsibilities and knowledge for inappropriate personal gain. Hospital Associates subject to this Section that have a Conflict of Interest must disclose and recuse themselves from any discussions or decisions related to the Conflict of Interest. Hospital Associates may not participate or in any way attempt to influence the discussion or decision.

Hospital Associates subject to this Section must report annually any Financial Interest or other Conflict of Interest related to the Hospital Associate or his/her Family.

### **C. Recusal**

A Hospital Associate or his/her Family with a Financial Interest or other Conflict of Interest related to administrative or other purchasing decisions made on behalf of the Hospital must recuse him or herself from any decisions relevant to the Financial Interest or Conflict of Interest for the entire period in which the Financial Interest or Conflict of Interest exists and for one (1) year thereafter

### **D. Conflict of Interest Disclosure**

Hospital Associates subject to this Section must complete the General Conflict of Interest Disclosure Form annually. See, Appendix. In addition, within ten (1) business days of any new relationship or significant change in a relationship related to the Hospital Associate or the Hospital Associate's Family, an updated General Conflict of Interest Disclosure Form must be completed.

The Hospital reserves the right to request a complete report of all outside activities and payments and other remuneration received from Business Partners at any time.

### **E. Conflict of Interest Resolution**

The Hospital's Corporate Compliance Officer will review the disclosure forms and take appropriate action. Appropriate action may include providing guidance to manage a Conflict of

Interest, directing an investigation or referring the General Conflict of Interest Disclosure Form to the Executive Compliance Committee. All General Conflict of Interest Disclosure Forms describing a Significant Financial Interest must be referred to the Executive Compliance Committee.

The Executive Compliance Committee shall determine appropriate action, taking into account all relevant factors. This may include developing a Conflict of Interest Management Plan, where appropriate. All decisions made by the Executive Compliance Committee shall be documented.

**NEW YORK DOWNTOWN HOSPITAL  
GENERAL CONFLICT OF INTEREST DISCLOSURE FORM**

**You are requested to answer each question as fully as you believe necessary to make a complete disclosure of all possible conflicts of interest.**

Definitions: For purposes of this questionnaire

(a) "NYDH" means New York Downtown Hospital.

(b) "Family" means your spouse, ancestors, brothers and sisters (where by whole or half blood), children (whether natural or adopted), grandchildren, great-grandchildren, and the spouses of brothers, sisters, children, grandchildren and great-grandchildren.

**QUESTION 1:**

**To the best of your knowledge, are you or any member of your family an officer director, trustee, employee, agent, or consultant of any entity with which New York Downtown Hospital conducts business?**

**YES \_\_\_\_\_ NO \_\_\_\_\_**

IF "YES," please explain and give details:

1. Enter the name of the entity
  
2. Enter the name of the position held
  
3. List the approximate dollar amount of business conducted with New York Downtown Hospital during the past calendar year

**QUESTION 2:**

**To the best of your knowledge, do you or any member of your family have an ownership, partnership, financial or voting interest in, or receive any remuneration or income from, any business organization with which New York Downtown Hospital conducts business? (You need not report any financial interest in less than 5% of the outstanding publicly traded shares of a supplier or purchaser of goods or services unless the financial interest is substantial in relation to your assets or those of a member of your family).**

**YES** \_\_\_\_\_ **NO** \_\_\_\_\_

IF "YES," please explain and give details:

1. Name the business organization in which such interest is held
2. State the nature of the financial interest
3. Indicate the amount of the financial interest, remuneration or income. (You need not report any financial interest in less than 5% of the outstanding publicly traded shares of a supplier or purchaser of goods or services unless the financial interest is substantial in relation to your assets or those of a member of your family).

**QUESTION 3:**

**To the best of your knowledge, did you or any member of your family receive, in the past twelve months, any gifts, entertainment, reward or other benefit of more than nominal value or hold any loans from any source with which New York Downtown Hospital conducts business or, to your knowledge, is seeking to conduct business? (You need not report any benefit received from NYDH).**

**YES** \_\_\_\_\_ **NO** \_\_\_\_\_

IF "YES," please explain and give details:

1. Name the company
2. Indicate the item provided
3. Indicate the approximate value of the item provided

**QUESTION 4:**

**Are you a member of the governing board or an officer or employee of any healthcare institution other than New York Downtown Hospital?**

**YES** \_\_\_\_\_ **NO** \_\_\_\_\_

IF "YES," please explain and give details:

1. List the position that you hold
2. Provide the name of the healthcare institution

**QUESTION 5:**

**Do you have any other family members employed by New York Downtown Hospital?**

**YES** \_\_\_\_\_ **NO** \_\_\_\_\_

IF "YES," please explain and give details:

1. Enter the family members name
2. Indicate their relationship to you
3. Name the department and/or facility
4. Indicate the amount of the financial interest, remuneration or income. (You need not report any financial interest in less than 5% of the outstanding publicly traded shares of a supplier or purchaser of goods or services unless the financial interest is substantial in relation to your assets or those of a member of your family).
5. Indicate his/her job title
6. Indicate his/her immediate supervisor
7. Indicate the Senior Vice President

**QUESTION 6:**

**Have you or any member of your family engaged in any other transaction with New York Downtown Hospital during the past year?**

**YES \_\_\_\_\_ NO \_\_\_\_\_**

IF "YES," please explain and give details:

1. Indicate the nature of the transaction
2. Indicate the approximate dollar amount
3. Name the New York Downtown Hospital department or entity involved
4. Indicate the person authorizing the transaction

**QUESTION 7:**

**Do you know of any interest or activity of yours or of any member of your family's not listed above, which may possibly be regarded as constituting a conflict of interest as described in New York Downtown Hospital's Conflict of Interest Policy?**

**YES \_\_\_\_\_ NO \_\_\_\_\_**

IF "YES," please explain and give details:

1. Describe the nature of the conflict
2. Describe the circumstances under which it could arise

## ACKNOWLEDGMENT

I have:

- (i) received a copy of the Conflict of Interest Policy;
- (ii) read and understood the policy;
- (iii) agreed to comply with the policy, and to update the information provided in this questionnaire in the event of any changes.

Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Telephone: \_\_\_\_\_

Print Title and Department (if applicable): \_\_\_\_\_

**NEW YORK DOWNTOWN HOSPITAL  
BOARD MEMBERS, OFFICERS & KEY EMPLOYEES  
CONFLICT OF INTEREST DISCLOSURE FORM**

**Form 990 Independence and Related Party Questionnaire**

**GENERAL DIRECTIONS:**

This template gathers information required by federal tax law for the preparation of New York Downtown Hospital's 2010 Form 990, *Return of Organization Exempt From Income Tax*, for the tax year beginning January 1, 2010 and ending December 31, 2010.

This template may be provided to you as an addendum to your annual conflict of interest disclosure statement or may be provided to you on a stand-alone basis.

- Please read the **SPECIFIC DIRECTIONS** for each question or group of questions.
- *Note: Management may answer Section C and Section D instead of obtaining individual responses to Q6, Q7, Q8 and Q9.*
- Please see the **Appendix** beginning at page 7 for all **TABLES** necessary to complete this template.
- Please see the **Glossary** beginning at page 9 defining all **bold** terms necessary to complete this template.
- Please complete this template in full and provide all responsive information.
- Should you answer "Yes" or "Unsure" to any Question, please provide all requested information in the **Detailed Response** section at page 6.
- If you have any questions about this template, please contact James D. DeGloria, Chief Compliance Officer, at New York Downtown Hospital, 170 William Street, New York, NY 10038, (212) 312-5695.

*When finished, please return this template in hard copy to James D. DeGloria, Chief Compliance Officer, at New York Downtown Hospital, 170 William Street, New York, NY 10038 or by email at james.degloria@downtownhospital.org.*

---

**NAME:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATE OF COMPLETION:** \_\_\_\_\_

**SIGNATURE:** \_\_\_\_\_

**SECTION A**

**SPECIFIC DIRECTIONS:** Q1 through Q4 must be answered by those listed in **TABLE 1** or **TABLE 2**. If you are not listed in **TABLE 1** or **TABLE 2**, please check “Not Listed.”

**Q1** To the best of your knowledge, during the tax year, did you engage in a new or ongoing **Business Transaction** with New York Downtown Hospital (other than as an Officer, Director, Trustee, or **Key Employee**)?<sup>1</sup>

\_\_\_\_ YES      \_\_\_\_ UNSURE      \_\_\_\_ NO      \_\_\_\_ UNKNOWN      \_\_\_\_ NOT LISTED

**Q2** To the best of your knowledge, during the tax year, did you engage in a new or ongoing *indirect* **Business Transaction** with New York Downtown Hospital? An indirect **Business Transaction** means a transaction through ownership of more than 35% in another entity (either individually or collectively with others listed in **TABLES 1** and/or **2**).<sup>2</sup>

\_\_\_\_ YES      \_\_\_\_ UNSURE      \_\_\_\_ NO      \_\_\_\_ UNKNOWN      \_\_\_\_ NOT LISTED

**Q3** To the best of your knowledge, during the tax year, did a **Family Member** engage in a direct or indirect **Business Transaction** with New York Downtown Hospital?<sup>3</sup>

\_\_\_\_ YES      \_\_\_\_ UNSURE      \_\_\_\_ NO      \_\_\_\_ UNKNOWN      \_\_\_\_ NOT LISTED

**Q4** To the best of your knowledge, during the tax year, did you serve as an Officer, Director, Trustee, **Key Employee**, Partner, or Member (or a Shareholder of a Professional Corporation) of an entity other than a Section 501(c)(3) tax-exempt organization doing business with New York Downtown Hospital?<sup>4</sup>

\_\_\_\_ YES      \_\_\_\_ UNSURE      \_\_\_\_ NO      \_\_\_\_ UNKNOWN      \_\_\_\_ NOT LISTED

---

<sup>1</sup> 2010 IRS Form 990, Part IV, Line 28a.

<sup>2</sup> 2010 IRS Form 990, Part IV, Line 28a.

<sup>3</sup> 2010 IRS Form 990, Part IV, Line 28b.

<sup>4</sup> 2010 IRS Form 990, Part IV, Line 28c.

**SECTION B**

**SPECIFIC DIRECTIONS:** Q5 must be answered by those listed in **TABLE 1**. If you are not listed in **TABLE 1**, please check “Not Listed.”

**Q5** To the best of your knowledge, during the tax year did you have a family relationship (through one or more **Family Members**) or a **Business Relationship** with any other person listed in **TABLE 1**?<sup>5</sup>

**NOTE:** The 2010 Form 990 does not require detailed disclosure of these relationships. Only “business relationship” and/or “family relationship” will be disclosed.

YES       UNSURE       NO       UNKNOWN       NOT LISTED

---

<sup>5</sup> 2010 IRS Form 990, Part VI, Line 2.

**SECTION C**

**SPECIFIC DIRECTIONS:** Q6, Q7 and Q8 must be answered by those listed in any of TABLES 1, 2, 4, 5 or 6. If you are not listed in any of these tables, please check "NOT LISTED." *Note: Management may answer Q6 through Q8 in lieu of obtaining individual responses.*

**Q6** To the best of your knowledge, did any **Family Member** or any entity that is 35% controlled by you receive **Compensation** (please see definition in Glossary) from New York Downtown Hospital during the year?<sup>6</sup>

YES       UNSURE       NO       UNKNOWN       NOT LISTED

**Q7** To the best of your knowledge, did you (or any **Family Member** or any entity which is 35% controlled by you) engage in any **Excess Benefit Transaction** with New York Downtown Hospital during the year?<sup>7</sup>

YES       UNSURE       NO       UNKNOWN       NOT LISTED

**Q8** To the best of your knowledge, did you (or any **Family Member** or any entity which is 35% controlled by you) engage in any **Excess Benefit Transaction** with New York Downtown Hospital in a prior year?<sup>8</sup>

YES       UNSURE       NO       UNKNOWN       NOT LISTED

---

<sup>6</sup> 2010 IRS Form 990, Part IX, Line 6.

<sup>7</sup> 2010 IRS Form 990, Part IV, Line 25a.

<sup>8</sup> 2010 IRS Form 990, Part IV, Line 25b.

**SECTION D**

**SPECIFIC DIRECTIONS:** Q9 must be answered by those listed in any of TABLES 1 through 6. *Note:*  
*Management may answer Q9 in lieu of obtaining individual responses.*

**Q9** To the best of your knowledge, did you (or any **Family Member** or any entity that is 35% controlled by you) receive a loan from, or extend a loan to New York Downtown Hospital that was outstanding as of the end of the tax year?<sup>9</sup>

\_\_\_\_\_ YES      \_\_\_\_\_ UNSURE      \_\_\_\_\_ NO      \_\_\_\_\_ UNKNOWN      \_\_\_\_\_ NOT LISTED

---

<sup>9</sup> 2010 IRS Form 990, Part IV, Line 26.

**SECTION E**

**SPECIFIC DIRECTIONS:** Q10 must be answered by anyone listed in any of **TABLES 1, 2, or 6**. If you are not listed in any of those tables, please check “NOT LISTED.”

**Q10** To the best of your knowledge, did any of the following receive any **Grant or Other Assistance** (including the provision of goods, services, or use of facilities, regardless of amount) from New York Downtown Hospital?<sup>10</sup>

- you;
- any of your **Family Members**;
- any entity that is 35% controlled by you;

\_\_\_\_\_ YES      \_\_\_\_\_ UNSURE      \_\_\_\_\_ NO      \_\_\_\_\_ UNKNOWN      \_\_\_\_\_ NOT LISTED

---

<sup>10</sup> 2010 IRS Form 990, Part IV, Line 27.

**SECTION F**

**SPECIFIC DIRECTIONS:** Q11 through Q13 must be answered by anyone listed in **TABLE 7**. If you are not listed in **TABLE 7**, please check “NOT LISTED.”

**Q11** Were you compensated as an officer or other **Employee** of New York Downtown Hospital or a **Related Organization**?<sup>11</sup>

YES       UNSURE       NO       UNKNOWN       NOT LISTED

**Q12** Were you compensated, or did you receive, any payments in excess of \$10,000 as an **Independent Contractor** from New York Downtown Hospital or a **Related Organization**, other than for reimbursements of expenses under an **Accountable Plan** or for services as a member of the governing body?<sup>12</sup>

YES       UNSURE       NO       UNKNOWN       NOT LISTED

**Q13** To the best of your knowledge, did you (or any **Family Member** or any entity that is 35% owned by you or a **Family Member**) engage in any of the following:

- Enter into a new or ongoing **Business Transaction** during the tax year with a **Related Organization** (other than as an Officer, Director, Trustee or **Key Employee**);
- Serve during the tax year as Officer, Director, Trustee, **Key Employee**, Partner, or Member (or a Shareholder of Professional Corporation) of any entity other than a Section 501(c)(3) tax-exempt organization doing business with a **Related Organization**;
- Engage in any **Excess Benefit Transaction** with a **Related Organization** (or learn that such a transaction occurred in a prior year) during the tax year or in a prior year;
- Receive a loan from, or extend a loan to, a **Related Organization** that was outstanding as of the end of the tax year; or
- Receive a **Grant or Other Assistance** during the tax year (including the provision of goods, services, or use of facilities, regardless of amount) from a **Related Organization**?<sup>13</sup>

YES       UNSURE       NO       UNKNOWN       NOT LISTED

---

<sup>11</sup> 2010 IRS Form 990, Part VI, Line 1b.

<sup>12</sup> 2010 IRS Form 990, Part VI, Line 1b.

<sup>13</sup> 2010 IRS Form 990, Part VI, Line 1b.



**Conflicts of Interest and Related Party Transaction Questionnaire**  
**Tables**

**TABLE 1** – List the Name, Title, and Designation of each CURRENT Officer, Director/Trustee (include whether “Individual” or “Institutional”), and **Key Employee**.<sup>14</sup>

Name	Title	Designation
------	-------	-------------

**TABLE 2** – List the Name, Title, and Designation of each FORMER Officer, Director/Trustee (include whether “Individual” or “Institutional”) and **Key Employee** that received reportable compensation in the calendar year ending with or within the organization’s current tax year in excess of the threshold amount (\$100,000 for **Former** officers and **Key Employees**, \$10,000 for services in the capacity as a director or trustee).

Name	Title	Designation
------	-------	-------------

**TABLE 3** – List the CURRENT Five Highest **Compensated Employees** other than officers, directors/trustees, and key employees that are compensated over \$100,000. For an organization reporting compensation within a group return, list only those Five Highest **Compensated Employees** reported on the group Form 990 who are directly compensated by the organization.

Name	Title	Designation
------	-------	-------------

**TABLE 4** – List each known **Disqualified Person** who is not listed in any of the other tables. Include here any other person who is or was in the past five years in the position to exercise **Substantial Influence** over New York Downtown Hospital. A Disqualified Person may include, among others, (1) a Former Officer, Director/Trustee or Key Employee that does did not receive reportable compensation in excess of the threshold amount (i.e., not listed in Table 2), (2) a donor or donor advisor to a donor advised fund held by New York Downtown Hospital, and (3) an investment advisor of an organization that sponsors a donor advised fund held by New York Downtown Hospital

Name	Title/Relationship
------	--------------------

**TABLE 5** – List each Substantial Contributor – Include here each individual or entity who contributed or bequeathed at least \$5,000 to New York Downtown Hospital since the organization's inception, but only if such amount was (as of the year of the contribution) more than 2% of the total contributions and bequests received by New York Downtown Hospital since its inception. A person or entity which is a substantial contributor remains a substantial contributor for all future periods even if later contributions by others push the individual or entity's contributions below the 2% threshold.

Name	Title/Relationship
------	--------------------

**TABLE 6** – List each member of New York Downtown Hospital’s Grant Selection Committee (if any).

Name	Title/Relationship
------	--------------------

**TABLE 7** – List the CURRENT voting members of New York Downtown Hospital’s governing body.

Name	Title	Designation
------	-------	-------------

## Form 990 Independence and Related Party Questionnaire

### Glossary

- **ACCOUNTABLE PLAN** means a reimbursement or other expense allowance arrangement that satisfies the requirements of Internal Revenue Code Section 62(c) by meeting the requirements of business connection, substantiation, and returning amounts to New York Downtown Hospital in excess of substantiated expenses.
- **BUSINESS RELATIONSHIP (direct and indirect)** means:
  - 1) One person is employed by the other in a sole proprietorship or by an organization with which the other is associated as 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 the New York Downtown Hospital tax year;
  - 3) **Indirect** transactions are transactions with an organization with which the one person is associated as Trustee, Director, Officer, Key Employee, or greater-than-35% owner; **OR**
  - 4) The two persons are each a Director, Trustee, Officer, or greater-than-10% owner in the same business or investment entity.
  - 5) A **Business Relationship** does not include privileged relationships such as a relationship between an attorney and client, a medical professional (including psychologist) and patient, or a priest/clergy and penitent/communicant.
- **BUSINESS TRANSACTIONS** include, but are not limited to, contracts of sale, lease, license, and performance of services, whether initiated during New York Downtown Hospital'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%. New York Downtown Hospital's charging of membership dues to its officers, directors, etc. are not considered Business Transactions.

However, a transaction is not a Business Transaction if all three of the following are applicable: (1) all payments during the tax year in one or more **Business Transactions** with New York Downtown Hospital did not exceed \$100,000; (2) all payments during the year from a single **Business Transaction** did not exceed the greater of \$10,000 or \$1,685,000 AND (3) **Compensation** payments by New York Downtown Hospital paid to a **Family Member** did not exceed \$10,000.

- **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, retirements benefits, 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.
- **DISQUALIFIED PERSON** means (1) any person listed in **TABLES 1, 2, 4, 5, 6, and 7**; (2) any person who is or was in the position to exercise **Substantial Influence** over New York Downtown Hospital at any time during the prior 5-year period up to the date of the transaction; (3) a Disqualified Person's **Family Member**; (4) an entity that is 35% controlled by one or more Disqualified Persons and/or **Family Members** of one or more Disqualified Persons; (5) a donor or donor advisor to a donor advised fund held by New York Downtown Hospital; and (6) an investment advisor of an organization

that sponsors a donor advised fund held by New York Downtown Hospital. NOTE: the Disqualified Persons of a Supported Organization include the Disqualified Persons of a § 509(a)(3) Supporting Organization that supports the Supported Organization.

- **EMPLOYEE** means any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an Employee, and any other individual who is treated as an Employee for federal employment tax purposes.
- **EXCESS BENEFIT TRANSACTION** means any transaction where any **Excess Benefit** is provided by New York Downtown Hospital, directly or indirectly to, or for the use of, any **Disqualified Person**.
- **EXCESS BENEFIT** means the excess of the economic benefit received from New York Downtown Hospital over the consideration paid or given (including services) by a **Disqualified Person**.
- **FAMILY MEMBER** means a spouse, ancestors, brothers and sisters (whole or half-blood), children (natural or adopted), grandchildren, great grandchildren, and spouses of brothers, sisters, children, grandchildren, and great grandchildren.
- **FORMER** officer, director/trustee, and **Key Employee** means one who the organization reported as an officer, director/trustee or **Key Employee** (or should have reported, applying the instructions in effect for such years) on any of the organization's Forms 990 for any one or more of the five prior years **AND** who received reportable **Compensation** in the calendar year ending with or within the organization's current tax year in excess of the threshold amount (\$100,000 for former officers and **Key Employees**, \$10,000 for services in the capacity as a director/trustee).
- **GRANT OR OTHER ASSISTANCE** means awards, prizes, cash allocations, stipends, scholarships, fellowships, research grants, and similar payments and distributions made by New York Downtown Hospital. It does not include salaries or other **Compensation** to **Employees**. In addition, it does not include financial benefits from the organization solely in the capacity of being a member of the charitable or other class served by the organization in the exercise of its exempt function, so long as the financial benefits comply with the organization's terms of membership.
- **INDEPENDENT** means an individual who satisfies **all** of the following three criteria:
  - 1) You have not been compensated as an Officer or other **Employee** of New York Downtown Hospital or of a **Related Organization** (aside from religious exception, below);
  - 2) You did not receive total **Compensation** or other payments exceeding \$10,000 during New York Downtown Hospital's tax year from New York Downtown Hospital or from **Related Organizations** as an **Independent Contractor**, other than reimbursement of expenses under an **Accountable Plan** or reasonable **Compensation** for services provided in your capacity as a member of New York Downtown Hospital's governing body; **AND**
  - 3) Neither you, nor any **Family Member**, was involved with a transaction with New York Downtown Hospital (whether directly or indirectly through affiliation with another organization) that must be disclosed as a Transaction With Interested Persons on the Form 990, *Return of Organization Exempt From Income Tax*, filed by either New York Downtown Hospital or a **Related Organization**.

NOTE: "Independence" is not affected if (a) you are a donor to New York Downtown Hospital, no matter the amount; (b) you have taken a bona fide vow of poverty and you receive **Compensation** as an agent of a religious order, religious organization, or belong to a religious order that receives sponsorship payments from New York Downtown Hospital; **OR** (c) you receive financial benefits from New York Downtown Hospital, solely because you are a member of the charitable class served by New York Downtown Hospital in the exercise of its tax-exempt function(s).

- **INDEPENDENT CONTRACTOR** means a person who provides services to New York Downtown Hospital but who is not treated as an **Employee**.
- **KEY EMPLOYEE** means an **Employee** of New York Downtown Hospital (other than an Officer, Director or Trustee of the entity) who meets **ALL** of the following three tests:
  - 4) Received reportable **Compensation** from New York Downtown Hospital and all **Related Organizations** in excess of \$150,000 for the calendar year ending within the entity's tax year;
  - 5) The **Employee** has responsibilities, powers or influence over New York Downtown Hospital as a whole that is similar to those of Officers, Directors or Trustees; manages a discrete segment or activity of New York Downtown Hospital that represents 10% or more of the activities, assets, income, or expenses of New York Downtown Hospital, as compared to New York Downtown Hospital as a whole; or has or shares authority to control or determine 10% or more of New York Downtown Hospital's capital expenditures, operating budget, or **Compensation** for **Employees**; **AND**
  - 6) Is one of the 20 **Employees** with the highest reportable income **Compensation** from New York Downtown Hospital and **Related Organizations** for the calendar year ending with or within New York Downtown Hospital's tax year.
- **RELATED ORGANIZATION** means an organization that stands in one or more of the following relationships to New York Downtown Hospital.
  - 1) Parent: an organization that controls New York Downtown Hospital.
  - 2) Subsidiary: an organization controlled by New York Downtown Hospital.
  - 3) Brother/Sister: an organization controlled by the same person or persons that control New York Downtown Hospital.
  - 4) Supporting/Supported: an organization that is (or claims to be) at any time during the organization's tax year (i) a supporting organization of New York Downtown Hospital within the meaning of section 509(a)(3), if New York Downtown Hospital is a supported organization within the meaning of section 509(f)(3); (ii) or a supported organization, if New York Downtown Hospital is a supporting organization.
- **SUBSTANTIAL INFLUENCE** means powers, responsibilities, or interests with respect to New York Downtown Hospital, which, based on all of the facts and circumstances, are similar to those held by voting members of the governing body, the president, the CEO, COOs, the Treasurer, and the CFO. In addition, the following relationships with New York Downtown Hospital suggest that an individual has Substantial Influence.
  - 1) A person that founded New York Downtown Hospital.
  - 2) A person whose **Compensation** is primarily based on revenues derived from activities of New York Downtown Hospital, or of a particular department or function of New York Downtown Hospital that the person controls.
  - 3) A person who has or shares authority to control or determine a substantial portion of New York Downtown Hospital's expenditures, operating budget, or **Compensation** for **Employees**.
  - 4) A person who manages a discrete segment or activity of New York Downtown Hospital that represents a substantial portion of the activities, assets, income, or expenses, of New York Downtown Hospital as compared to New York Downtown Hospital as a whole.

- 5) A person who owns a controlling interest (measured by either vote or value) in a corporation, partnership, or trust that is a **Disqualified Person**.
- 6) A person who is a non-stock organization controlled directly or indirectly, by one or more **Disqualified Persons**.

\*For more guidance regarding what is considered Substantial Influence, as well as guidance regarding individuals deemed to NOT have Substantial Influence, please see Section 53.4958-3 of the Treasury Regulations.