

# **Phoenix Symphony Guild (dba Phoenix Youth Symphony) Conflict of Interest Policy**

## **Purpose**

The Phoenix Symphony Guild (dba Phoenix Youth Symphony) (“PYS”) is a nonprofit 501(C)3 organization with a mission of providing opportunities to young people to pursue excellence through educational, experiential and creative music performance while touching lives of others in the community. Maintenance of its tax-exempt status is important for both continued financial stability and for public support. Consequently, PYS’s Board, officers, and staff members (“Interested Persons”) have the responsibility of administering the affairs of PYS honestly and prudently, and of exercising their best care, skill and judgment for the sole benefit of PYS. Those Interested Persons shall not use their positions with PYS or knowledge gained there from for their personal benefit.

This conflict of interest policy is designed to help PYS identify situations that present potential conflicts of interest and to provide PYS with a procedure that will allow a transaction to be treated as valid and binding even though an Interested Party has or may have a conflict of interest with respect to the transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

## **Potential Conflict of Interest Situations**

The legal definition of conflict of interest usually set out in state laws governing nonprofit corporations is very specific and covers relatively few situations. Most conflicts fall into a gray area where ethics and public perception are more relevant than statutes or precedents. A conflict of interest arises any time an Interested Person’s personal interests or activities interfere with his or her ability to act in the best interests of PYS. All Interested Persons must discharge their responsibilities to PYS on the basis of what is in the best interest of PYS and independent of personal consideration or relationships.

Individuals and businesses qualified to provide goods and services to PYS are somewhat limited, but situations may arise where individuals or businesses are engaged by PYS for artistic projects, sectionals, workshops, summer camps, performances or management staff. Some specific examples of situations that may involve potential conflict of interest include:

1. Persons and firms supplying goods and services to PYS.
2. Persons and firms from whom PYS leases property and equipment.
3. Persons and firms with whom PYS is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporters of PYS.
6. Agencies, organizations and associations which affect the operations of PYS
7. Family members and friends

The areas of conflicting interest listed above are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the Interested Persons will recognize such areas and relation by analogy.

### **Procedures**

If an issue is to be decided by the Board that involves potential conflict of interest for an Interested Person, it is the responsibility of that person to:

1. Identify any matter pending before the PYS Board in which the individual may have a personal interest ,
2. Refrain from participation in any discussion on such matter being considered,
3. Not vote on the matter.

An Interested Person may make a presentation at the Board or committee meeting, but after the presentation, that person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

Any Interested Person shall refrain from obtaining any list of members or donors for personal or private solicitation purposes at any time during the term of their affiliation with PYS.

It is the responsibility of the Board to:

1. Only decide to contract with the Interested Person if they are the best qualified individuals available and willing to provide the goods or services needed at the best price,
2. Record in the minutes of the Board meeting the names of the persons who disclosed or otherwise were found to have a potential conflict of interest, any action taken to determine whether a conflict of interest in fact existed and in fact existed, the names of the persons who were present for discussions and a record of any votes taken in connection with the proceedings.

### **Annual Reporting**

Each member of the Board, officer, member of a committee with governing board delegate powers and staff member shall annually sign a statement which affirms such person:

1. Has received a copy of the Conflicts of Interest Policy,
2. Has read and understands the policy,
3. Has agreed to comply with the policy.

The Board shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual disclosure statements and taking such other action as necessary for effective oversight.