

## **TUCSON SYMPHONY ORCHESTRA CONFLICT OF INTEREST POLICY**

### **SECTION I. PURPOSE:**

The Tucson Symphony Orchestra (the "TSO") is a non-profit, tax-exempt organization. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. The board, officers, and professional staff have the responsibility of administering the affairs of the TSO honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of the TSO. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the TSO or knowledge gained therefrom for their personal benefit or for the benefit of another individual or entity. The interests of the organization must be the first priority in all decisions and actions.

### **SECTION 2. PERSONS CONCERNED:**

This statement is directed not only to Trustees and officers, but to all employees and to key volunteers who can influence the actions or decisions of TSO. For example, this would include all who make purchasing decisions, all professional staff, and anyone who has proprietary information concerning TSO.

### **SECTION 3. AREAS IN WHICH CONFLICT MAY ARISE:**

Conflicts of interest may arise in the relations of trustees, officers, professional staff and certain volunteers with any of the following third parties:

- I. Persons and firms supplying goods and services to TSO.
2. Persons and firms from whom TSO leases property and equipment.
3. Persons and firms with whom TSO 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 supporting TSO.
6. Agencies, organization, and associations which affect the operations of TSO.
7. Family members, friends, and other employees.

### **SECTION 4. NATURE OF CONFLICTING INTEREST:**

A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 3. Such an interest might arise through:

- I. Owning stock or holding debt or other proprietary interests in any third party dealing with TSO.

2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with TSO.
3. Receiving remuneration for services with respect to individual transactions involving TSO.
4. Using TSO's time, personnel, equipment, supplies, or goodwill for other than TSO-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with TSO. Receipt of any gift is disapproved except gifts of a value less than \$50, which could not be refused without discourtesy. No personal gift of money should ever be accepted.

#### SECTION 5. INTERPRETATION OF THIS STATEMENT OF POLICY:

The areas of conflicting interest listed in Section 3, and the relations in those areas which may give rise to conflicts, as listed in Section 4, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the trustees, officers, professional staff, and key volunteers will recognize such areas and relation by analogy.

The fact that one of the interests described in Section 4 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of TSO.

However, it is the policy of the Board of Trustees that the existence of any of the interests described in Section 4 shall be disclosed before any such transaction is consummated. It shall be the continuing responsibility of the Board of Trustees, officers, and professional staff to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

#### SECTION 6. DISCLOSURE POLICY AND PROCEDURE:

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. The person with the conflict of interest is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists; and
4. The Committee on Trusteeship of the Board of Trustees has determined that the transaction is in the best interest of the organization.

Disclosure in the organization should be made to the President & CEO (or if he or she is the one with the conflict, then to the Chair of the Board of Trustees), who shall bring the matter to the attention of the Committee on Trusteeship. Disclosure involving Trustees should

be made to the Board Chair (or if she or he is the one with the conflict, then to the immediate past Chair), who shall bring these matters to the Committee on Trusteeship.

The Committee on Trusteeship shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to TSO. The decision of the Committee on Trusteeship on these matters will rest in their sole discretion, and their concern must be the welfare of TSO and the advancement of its mission.

SECTION 7. PUBLICATION OF POLICY:

This Policy shall be maintained in the official policies of TSO, and it shall be made available to members of TSO's Board of Trustees, officers, professional staff, and key volunteers. It is the intention of TSO to publish this Policy on the TSO's official website.

I, \_\_\_\_\_, have read and understand the Tucson Symphony Orchestra's Conflict of Interest Policy.

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

I wish to note the following affiliations and/or relationships that could create a personal conflict of interest for me:

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