

**PENINSULA SYMPHONY OF NORTHERN CALIFORNIA ASSOCIATION, AKA
PENINSULA SYMPHONY ORCHESTRA AND/OR PSO**

CONFLICT OF INTEREST POLICY

Adopted January 2014, Revised September 2017

Peninsula Symphony Orchestra (PSO) Board Members and members of the staff are expected to use good judgment, to adhere to high ethical standards, and to conduct their affairs in such a manner as to avoid any actual or potential conflict between their personal interests and the interests of PSO. A conflict of interest exists when the Board/Music Director/or Staff Member's loyalties or actions are divided between the PSO's interests and the member's interests or those of another organization, such as an applicant or vendor. Both the fact and the appearance of a conflict of interest should be avoided. If a Board Member, the Music Director, Managing Director or Business Manager becomes aware of any personal situation which might constitute a conflict of interest or is unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest, the matter should be discussed with the Chair of the Board for clarification. If any other member of the Staff is unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest, the matter should be discussed with the Business Manager, who will consult with the Chair or the Board as needed.

In general, when conducting the business of the PSO, a conflict of interest will be presumed when a Board/Music Director/Staff Member or someone with whom the Board/Music Director/Staff Member has a close relationship (a friend, family member or close companion) has a formal affiliation or interest in a particular decision; or could expect financial gain or loss from that decision. It is not possible to describe all possible conflicts of interest that could develop. However some of the more common direct conflicts include the following:

- (1) Accepting personal gifts or entertainment, valued in excess of \$50 from applicants or vendors.
- (2) Using proprietary or confidential PSO information for personal gain or to the PSO's detriment
- (3) Using PSO's property or labor for personal use, or
- (4) Representing that PSO will give financial or other support to any outside activity, organization, or individual, unless the request has already has been reviewed and approved.

PROCEDURES

The following procedures will apply to the resolution of any conflict of interest for a Board Member that cannot otherwise be avoided:

1. Any potential conflict of interest that may affect a matter under consideration shall be disclosed by the Board Member to the Board of Directors and made a matter of record as soon as the possible conflict is determined.
2. The interested Board Member shall not vote on such matter and shall not attempt to exert influence in connection with the matter. He/she may make a presentation at the Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
3. The minutes of the meeting shall reflect that a disclosure was made and the abstention from voting.
4. For any matter in which the Board Member has a material financial interest, the following additional procedures shall apply prior to entering into the transaction:
 - The Board of Directors shall determine in good faith whether PSO will enter into the transaction for its own benefit.
 - The Board of Directors shall determine in good faith whether the transaction is fair and reasonable to PSO and
 - The Board of Directors shall determine in good faith after reasonable investigation that PSO could not have obtained a more advantageous arrangement with reasonable effort under the circumstances.

The following procedure will apply to the resolution of any conflict of interest for the **Board Chair**:

- The Board Chair shall report any conflicts of interest to the Vice-Chair, who shall formulate a recommended course of action after conferring with the Executive Committee.

The following procedures will apply to the resolution of any conflict of interest for senior staff, including the **Music Director, Managing Director, or Business Manager**:

- Any potential conflict of interest shall be disclosed to the Board Chair. The Board Chair may make a determination of the matter and inform the Board of his/her decision, or the matter may be taken directly to the Board for consideration. In the latter case, the procedures for conflict of interest for Board Members shall apply.

The following procedures will apply to the resolution of any conflict of interest **for all other staff not addressed in the preceding paragraph**:

- Any potential conflict of interest shall be disclosed to the Business Manager, who shall inform the Board Chair of the matter and its resolution. Unless the conflict of interest directly involves Business Manager and the employee feels uncomfortable discussing with him/her, in which case, the employee should directly discuss the matter with the Board Chair.

The conflict of interest policy includes the following general provisions:

1. - Except as otherwise specified herein, any person who has knowledge of any action or conduct that appears contrary to these Conflict of Interest Policies and Procedures shall report the same to the Chair of the Board.
2. - These Conflict of Interest Policies and Procedures shall apply to the members of a committee of the Board of Directors as if each committee member were a Board Member.
3. - Each Board Member shall be advised of the Conflict of Interest Policy and Procedures prior to commencement of the Board Member's term of office or employment, and annually thereafter.

I affirm that I have no conflicts of interests per above policy, or have otherwise disclosed any such conflicts to Chairman of the Board and/ or Vice-Chair on a timely basis.

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| Name (Typed or Printed) | Signature | Date |