

## **American Harp Foundation Conflict of Interest Policy**

*Approved 4.23.2024*

### **Mission**

The mission of the American Harp Foundation is to provide an enduring financial home for legacy funds that will advance and support the harp as an integral part of musical culture and provide opportunities to advance gifted young harpists in their pursuit of professional status.

### **Vision**

To be a secure investment home for legacy funds that support the American Harp Society and the harp world.

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The Board of Directors of the American Harp Foundation (AHF) has adopted the following policy designed to avoid any possible conflict between the personal interests of Board members, committee members and staff, and the interests of AHF. This policy also applies in any case in which a committee chairperson or committee member may be delegated the authority to transact any business on behalf of AHF.

The purpose of this policy is two-fold. First, the policy seeks to reflect the spirit of AHF's commitment to promote the highest ethical standards. Second, the policy seeks to ensure that decisions about AHF operations and the use or disposition of AHF assets are made solely in terms of the benefits of AHF and are not influenced by any private profit or other personal benefit to the individuals affiliated with AHF who take part in the decision. In addition to actual conflicts of interest, board members are also obligated to avoid actions that could be perceived or interpreted in conflict with AHF's interest.

Conflicts of interest may occur when AHF enters into transactions with not-for-profit organizations as well as those that are undertaken with profit-making entities. The best way to deal with this problem is to make known one's connection with organizations doing business with AHF and to refrain from participation in or voting on such decisions affecting transactions between AHF and the other organization if a quorum of board members determine this to be the optimal course of action. Such relationships do not necessarily restrict transactions so long as the relationship is clearly disclosed.

### **Policy**

Any member of the AHF Board of Directors and AHF committees who may be involved in an AHF business transaction in which there may be a possible conflict of interest shall disclose the potential conflict to the other members of the Board or committee before any discussion and vote with respect to the transaction. Such disclosure shall be recorded in the minutes of the meeting at which it is made. A quorum of board members can vote to exclude any member from a vote where there is a clear conflict of interest, or said member can voluntarily exempt oneself from voting on the specific matter. The foregoing requirements, however, should not be construed to prevent the member from briefly stating a position on the matter or from answering pertinent questions from other Board or committee members by reason of the fact that personal knowledge on the matter may be of assistance to the other members in reaching their decision.

A written disclosure regarding any possible conflicts and of any adjustments made to avoid possible conflicts of interest shall be kept by the Board of Directors and/or the President and Secretary.

## **Definitions**

“Involved in an AHF business transaction” means initiating, making the principal recommendation for, or approving a purchase or contract; recommending or selecting a vendor or contractor; drafting or negotiating the terms of such a transaction; or authorizing or making payments from AHF accounts. That language is intended to include not only transactions for AHF’s procurement of goods and services, but also for the disposition of AHF property, and the provision of services or space by AHF.

A “possible conflict of interest” is deemed to exist where the Director or close relative, or a member of that person’s household, is an owner, officer, director, employee, proprietary, partner, or trustee of, or, when aggregated with close relatives and members of that person’s household, holds five (5) percent or more of the issued stock in the organization seeking to do business with AHF. A possible conflict is also considered to exist where such a person is (or expects to be) retained as a paid consultant or contractor by an organization which seeks to do business with AHF, and whenever a transaction will entail a payment of money or anything else of value to the official, member, or to a close relative, or to a member of those persons’ households.

A “possible conflict of interest” exists when an individual affiliated with AHF has an interest in an organization that is in competition with a firm seeking to do business with AHF if the individual’s position gives him or her access to proprietary or other privileged information that could benefit the firm in which he or she has an interest.

A “possible conflict of interest” exists when an individual affiliated with AHF is a substantial donor, trustee, director, officer or employee of a not-for-profit organization which is seeking to do business with or have a significant connection with AHF or is engaged in activities which could be said in a business context to be “in competition with” the programs of AHF.

## **Acknowledgment**

This policy statement shall be made available to each officer, committee chair, and members, and staff. Any individuals with a potential conflict of interest will be asked to complete a disclosure letter specifying the nature of said conflict. A quorum of board members may determine that a vote is necessary to exempt said individual from any votes surrounding a conflict of interest.