

Conflict of Interest Policy

Preamble/Introduction

The Illinois Theatre Association is a network of dedicated theatre artists and educators advocating quality theatre throughout Illinois. It is the Mission of the Association to:

- Establish an Illinois membership similar in purpose to and affiliated with national theatre organizations.
- Encourage a closer understanding and communication between Community, Educational, and Professional Theatre.
- Inform the general public of the diverse nature and extent of Illinois Theatre.
- Co-operate with appropriate state and federal agencies and with regional and national theatre organizations in promoting increased recognition and program development for Illinois Theatre at all levels.
- Promote and perpetuate the highest caliber of theatre production, teaching, and research at all levels of theatre within the state of Illinois.
- Affirm the important value of theatre in the lives of individuals.

The ITA's effectiveness depends on its record of accomplishment and its reputation. The ITA's success results directly from maintaining the confidence of the individuals, groups, and organizations with whom it works. The ITA's greatest asset is its good name. For that reason, it is crucial that the ITA have a responsible and well-conceived Conflict of Interest policy and procedure. In addition, having a sound Conflict of Interest policy and procedure will help assure compliance with the U.S. Internal Revenue Service (IRS) rules against private inurement and private benefit and with state statutes addressing conflict transactions.

One of the principal purposes of the Conflict of Interest policy and of this procedure is to help the ITA staff and Board members identify and avoid or resolve conflicts of interest with the Association. For that reason, ITA employees and Board members must read and retain a copy of this Conflict of Interest Policy and Procedure at the outset of their tenure with the Association and at such time as the policy or procedure is amended. In addition, the Conflict of Interest policy and this procedure will be discussed at all orientation sessions for new employees and Board members.

Conflict of Interest Policy

No person shall originate, participate in, or vote on any transaction involving the Association in which such Person has a Conflict of Interest.

A Person will be deemed to have a Conflict of Interest if he/she or a Related Party has a Material Financial Interest in or is Affiliated with any Entity that proposes to enter into any transaction or businesses with the Company or such Person would otherwise materially benefit, directly or indirectly, from the transaction.

Implementation/Procedure

Disclosure. To effectuate this Policy each Person shall disclose to the Board and President any Conflict of Interest such Person or a Related Party has regarding any transaction to be considered by the Association. On an annual basis, each Person shall submit a disclosure list on which the Person identifies all Entities in which such Person or a Related Party is an employee, officer, director or consultant to or in which the Person or a Related Party has a Material Financial Interest. With respect to members of a Person's family living outside the household, the Person shall disclose such conflicts of which she/he has actual knowledge. In addition, the Person shall annually sign a statement affirming that he/she has read this policy, agrees to comply with the Policy and acknowledge he/she is not aware of any violations or discloses any known violations.

Recusal. A Director of the Association shall recuse him/herself from the Board's deliberations regarding any matter in which the Director has a Conflict of Interest unless the President of the Board determines that recusal is unnecessary in that particular instance. A staff member shall not be the responsible staff person on a transaction in which he/she has a conflict of interest.

Record of Proceedings. The Association shall keep a record of all transactions in which a Person had a Conflict of Interest and the procedures followed in such instance.

Definitions

Person means any employee, director, or member of a committee with high governing board delegated powers.

Related Party means a member of the immediate family of the Person (spouse, sibling, parent, grandparent, children) living in the Person's household.

An Affiliated Person or Related Party is affiliated with an Entity if he/she is an employee, officer or director of or a consultant to the Entity.

Material Financial Interest: A Person or Related Party has a Material Financial Interest in an Entity if he/she:

- Owns, directly or indirectly, more than 10% of the Entity's equity interest, or
- Is owed money by the Entity in excess of 10% of the Entity's overall indebtedness or 10% of the Person's net worth, or
- Receives compensation from the Entity in excess of 10% of income.

Entity is to be broadly defined and includes a corporation, partnership, limited liability company, trust, organization, coalition, commission, university or institute.

Prohibition on Gifts

No person shall accept anything of value from an Entity that is or may reasonably be expected to do business with the Association, including entertainment, tickets, meals, clothing or other items, unless (i) such gift is of nominal value, (ii) the recipient is not expected to take or refrain from taking any action in connection with the receipt of the gift, (iii) the gift is in keeping with good business ethics or refusing such gift would be contrary to the accepted norms under the circumstances.