

Pentacle Theatre Policy	SUBJECT: Conflict of Interest
Approved By: Patrick Moser	Effective Date: March 5, 2020

Purpose: The purpose of this policy is to properly manage all Conflicts of Interest and appearances of a Conflict of Interest, to help governing Board Members, Employees and Volunteers of the Pentacle Theatre identify situations that present potential conflicts of interest and to provide Pentacle Theatre with a procedure to appropriately manage conflicts in accordance with legal requirements and the goals of accountability and transparency in Pentacle Theatre’s operations.

Definitions:

Board Member: a duly elected member of the current Pentacle Theatre Governing Board.

Conflict of Interest:

- a. A Director, Board Member, Employee or Volunteer (or family member of any of the foregoing) is a party to a contract or involved in a transaction with Pentacle Theatre for goods or services.
- b. A Director, Board Member, Employee or Volunteer, (or a family member of any of the foregoing) has a material financial interest in a transaction between Pentacle Theatre and an entity in which the Director, Board Member, Employee or Volunteer, or a family member of the foregoing, is a Director, Board Member, agent, partner, associate, employee, trustee, personal representative, receiver, guardian, custodian, or other legal representative.
- c. A Director, Board Member, Employee or Volunteer, (or a family member of the foregoing) is engaged in some capacity or has a material financial interest in a business or enterprise that competes with Pentacle Theatre.

Contract or Transaction: Any agreement or relationship involving the sale or purchase of goods or services, the providing or receipt of a loan or grant, the establishment of any other type of financial relationship, or the exercise of control over another organization. The making of a gift to Pentacle Theatre is not a Contract or Transaction.

Director: An individual selected by the board to coordinate all elements of a Pentacle Theatre production.

Duality of Interest. A situation in which an individual has multiple responsibilities which may result in conflicts of interest, real or perceived.

Employee: paid staff of Pentacle Theatre.

Family Member: a spouse, parent, child or spouse of a child, brother, sister, or spouse of a brother or sister, of an Interested Person.

Interested person: Any Director, Employee, Board Member of Pentacle Theatre, a major donor to Pentacle Theatre or anyone else who is in a position of control over the theater who has a Conflict of Interest.

Material Financial Interest: A financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect an Interested Person's or Family Member's judgment with respect to transactions to which the entity is a party.

President: The elected leader of the Pentacle Theatre Governing Board.

Volunteer: Any unpaid person working on any aspect of a Pentacle Theatre production, on a committee or in any other capacity.

Policy:

All instances of Conflicts of Interest must be disclosed to the Board or staff, as appropriate, and a decision made as to what course of action the organization or individuals should take so that the best interests of Pentacle Theatre are not compromised by the personal interests of stakeholders in the theater.

Confidentiality. Each Director, Board Member, Employee and Volunteer shall exercise care not to disclose confidential information acquired in connection with disclosures of conflicts of interest or potential conflicts, which might be adverse to the interests of Pentacle Theatre. Furthermore, Directors, Board Members, Employees and Volunteers shall not disclose or use information relating to the business of Pentacle Theatre for their personal profit or advantage or the personal profit or advantage of their Family Member(s).

Gifts, Gratuities and Entertainment. Accepting gifts, entertainment or other favors from individuals or entities can also result in a conflict or duality of interest when the party providing the gift/entertainment/favor does so under circumstances where it might be inferred that such action was intended to influence or possibly would influence the interested person in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value which are not related to any particular transaction or activity of Pentacle Theatre.

Procedure

- a. Prior to board or committee action on a Contract or Transaction involving a Conflict of Interest, person having a Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting. If Board Members are aware that staff or other volunteers have a conflict of interest, relevant facts should be disclosed by the Board Member or by the interested person him/herself if invited to the board meeting as a guest for purposes of disclosure.
- b. A person who plans not to attend a meeting at which he or she has reason to believe that the board or committee will act on a matter in which the person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
- c. A person who has a Conflict of Interest shall not participate in or be permitted to hear the board's or committee's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- d. A person who has a Conflict of Interest with respect to a Contract or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote.
- e. The person having a Conflict of Interest may not vote on the Contract or Transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.
- f. Interested Persons who are not members of the Board, or who have a Conflict of Interest with respect to a Contract or Transaction that is not the subject of Board or committee action, shall disclose to their supervisor, or the President or the President's designee, any Conflict of Interest that such Interested Person has with respect to a Contract or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Interested Person. The Interested Person shall refrain from any action that may affect Pentacle Theatre's participation in such Contract or Transaction.
- g. In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to his or her supervisor or the President or the President's designee, who shall determine whether full board discussion is warranted or whether there exists a Conflict of Interest that is subject to this policy.

4. Review of policy.

- a. Each Board Member and Employee shall be provided with and asked to review a copy of this Policy and to acknowledge in writing that he or she has done so.
- b. Annually each Board Member and Employee shall complete a disclosure form identifying any relationships, positions or circumstances in which s/he is involved that he or she believes could contribute to a Conflict of Interest. Such relationships, positions or circumstances might include service as a board member of or consultant to another nonprofit organization, or ownership of a business that might provide goods or services to Pentacle Theatre. Any such information shall be treated as confidential and shall generally be made available only to the Chair, the Executive Director, and any committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.
- c. This policy shall be reviewed annually by each member of the Board of Directors. Any changes to the policy shall be communicated to all staff and volunteers



Pentacle Theatre
Conflict of Interest Disclosure
(to be signed at the first board meeting of the calendar year)

Name:	
Position at Pentacle Theatre:	

Please describe below any relationships, transactions, positions you hold (volunteer or otherwise), or circumstances that you believe could contribute to a conflict of interest between Pentacle Theatre and your personal interests, financial or otherwise:

- I have no conflict of interest to report
- I have the following conflict(s) of interest to report (List other nonprofit and for-profit boards you or a Family Member sit on, any for-profit businesses for which you or Family Member are a board member or a majority shareholder, the name of your employer, and the name businesses you or a family member own):

- 1.
- 2.
- 3.

(continue below if needed)

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, and agree to abide by, the Policy of Conflict of Interest of Pentacle Theatre.

Signature:	
Date:	