

## **SOCAN Foundation Conflict-of-Interest Guidelines (revised May 2006)**

It is recognized that because of an individual board member's involvement in a wide range of activities within the music industry, it is possible that from time to time perceived or actual conflicts of interest will arise. The Foundation believes that all possible conflicts should be revealed, discussed and appropriately dealt with and noted.

It is also recognized that the Foundation funding programs are to benefit Canadian music creators and to encourage the performances of their works. It is not the intent of conflict-of-interest guidelines to inhibit the careers of Canadian composers.

Occasionally, a member of the Board of Directors of SOCAN or of the SOCAN Foundation or one of its Officers may also participate in the event or project, or be a member of or related personally or professionally to the recipient organization or person, and therefore may be seen as benefiting either directly or indirectly from the sponsorship or grant.

The Foundation recognizes that these activities may give rise to either actual or perceived conflicts of interest. In order to prevent conflicts and eliminate or mitigate perceptions involving such activities, the Board has developed the following regulations:

- A Director or Officer must disclose immediately at a meeting of the board the nature and extent of any potential conflict in an actual or proposed activity; the Director or Officer leaves the meeting;
- A Director shall not vote on any resolution of the Board to approve the funding of an activity in which he/she, his employer, an association of which he/she is a board member, or an immediate relative has any material interest; and the activity is neither void nor voidable by reason of that relationship if the Director or Officer disclosed his interest in accordance with these provisions;
- The remaining board members determine whether or not the member should remain absent from the meeting for the discussion and for the vote;
- All declarations of conflict are noted in the minutes.

Note: A Director is prohibited from using privileged information for personal gain and from disclosing to persons other than fellow Directors any information which the board has declared to be confidential or any confidential information contained in grant application forms.

**Examples of possible conflict:**

1. If an ensemble is assisted by the Foundation and a Foundation board member benefits by receiving commissions or being part of a residency program, no direct conflict is evident. Support goes to the composer. If the composer were prohibited from taking part by virtue of his/her being a Foundation board member, the purpose of the Foundation grants would be defeated.
2. If an industry organization's workshop program is supported by the Foundation and a Foundation board member receives an honorarium or costs for taking part in the workshop, this has not been recognized as a conflict. The Foundation's funding has gone directly to the organization and not the board member. It could be the industry's loss if board members were prohibited from taking part in such situations.
3. There are situations where a board member may be in a position to benefit directly from a Foundation program. Examples are the SOCAN Foundation Awards for Young Composers, the Concert Music Promotion program and the Concert-Music Composer Outreach Residencies program. Again, if the composer were prohibited from taking part, that would defeat the purpose of the Foundation, which is to provide programs to benefit music creators. In these cases, it remains with the individual board member whether or not he/she wishes to accept compensation.
4. There may be a conflict or a perceived conflict if a SOCAN Foundation board member directly benefits from the **Foundation's own initiatives**. Examples are:
  - Workshops organized by the Foundation where an honorarium is paid;
  - Concerts or showcases organized by the Foundation where performing artists are engaged.
5. Conflicts should be declared during program policy discussions as well as when considering grant applications. Examples are:
  - International Showcasing - if there is a possibility a board member is involved with bands which will participate;
  - Residency Program - if a board member knows that he/she may be invited to be a resident composer;
  - Festivals Program - if, at the time, the board member is involved with any festival or artist who may appear at any festival.