

FIRST AMENDED CONFLICT OF INTEREST POLICY

School for the Arts – NM

ARTICLE 1

PURPOSE

The School for the Arts - NM ("SA-NM") is a New Mexico non-profit, tax exempt arts educational institution. The purpose of this First Amended Conflict of Interest Policy is to protect the interests of SA-NM. The policy addresses the procedures that should be followed if SA-NM is contemplating entering into a transaction or arrangement that might benefit the private interest of a trustee, officer or committee member or might result in a possible excess benefit transaction. This First Amended Conflict of Interest Policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to charitable, tax-exempt corporations.

ARTICLE 2

DEFINITIONS

2.1 Interested Person. An interested person is any trustee, officer, or member of a committee with Board delegated powers who has a direct or indirect financial interest as defined below.

2.2 Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

(1) An ownership or investment interest in any entity with which SA-NM has a transaction or arrangement;

(2) A compensation arrangement with SA-NM or with any entity or individual with which SA-NM has a transaction or arrangement; or

(3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which SA-NM is negotiating a transaction or arrangement.

2.3 Compensation. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

2.4 Conflict of Interest. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board or committee decides that a conflict of interest exists.

