

# By-Laws

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## **BYLAWS OF THE AMERICAN INSTITUTE OF PERFORMING ARTS**

### **ARTICLE**

#### **I. NAME**

The name of this Institute shall be the American Institute of Performing Arts

#### **II. OFFICE**

This Institute shall have and continuously maintain in the State of Illinois a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of Illinois as the Board of Directors may from time to time determine.

#### **III. PURPOSES OF THE AMERICAN INSTITUTE OF PERFORMING ARTS AND LIMITATIONS OF ITS CORPORATE AUTHORITY**

The American Institute of Performing Arts is organized and operated exclusively for charitable purposes in accordance with §501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United State Internal Revenue law and referred to below as the “Code”). More specifically, the Institute is organized to educate, entertain and inspire the general public and increase its appreciation of the performing arts by providing to it on a non-commercial not for profit manner, media of productions of performing arts emphasizing art music performances of symphonic orchestras, lyric operas and ballet, traditional music including genres of folk, blues and jazz, regional and national music and popular music to be distributed on noncommercial public and educational broadcasting and alternative noncommercial not for profit distribution, such as web casts.

To support the performing arts by distributing the recording of its performances to schools and universities to be used in connection with the Music Appreciation curriculum in a noncommercial not for profit manner.

To support the performing arts by distributing exchanges of media of productions of regional and national performing arts to be distributed on noncommercial public and educational broadcasting and alternative noncommercial not for profit distribution, such as web casts, and in so doing to educate, entertain and inspire the general public and increase its appreciation of the performing arts.

To support the educational, entertainment and inspirational purpose of the organization by the production and distribution of companion website materials suitable for K-12 and adult education to supplement broadcast material and to make this material available on noncommercial public and educational broadcasting and alternative noncommercial not for profit distribution, such as public television, educational, and the Institute’s web sites

### **Limitations of Corporate Authority**

A. The Institute, being organized exclusively for religious, charitable, and educational purposes, may make distributions to organizations that qualify as exempt organizations under §501(c)(3) of the Code.

B. No part of the net earnings of the Institute shall inure to the benefit of, or be distributable to, its board members, directors, officers, or other private persons, except that the Institute shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 4 above.

C. No substantial part of the activities of the Institute shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Institute shall not participate in, or intervene in (including the publishing or distribution of statements concerning), any political campaign on behalf of any candidate for public office.

D. Notwithstanding any other provision of these articles, the Institute shall not carry on any other activities not permitted to be carried on (1) by a Institute exempt from federal income tax under §501(c)(3) of the Code or (2) by a Institute contributions to which are deductible under §170(c)(2) of the Code.

E. Upon dissolution of the Institute, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Institute, dispose of all of the assets of the Institute exclusively for the purposes of the Institute in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under §501(c)(3) of the Code, as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the appropriate court of law of the county in which the principal office of the Institute is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, that are organized and operated exclusively for exempt purposes.

### **IV. NET EARNINGS OF THE INSTITUTE**

No part of the net earnings of the Institute shall inure to the benefit of, or be distributable to its board members, directors, officers, or other private persons, except that the Institute shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III hereof. No substantial part of the activities of the Institute shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Institute shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of the Articles, the Institute shall not carry on any other activities not permitted to be carried on.

- (a) by a Institute exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future Internal Revenue Law) or
- (b) by an Institute, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future U.S. Internal Revenue Law).

## V. BOARD OF DIRECTORS

### 1. GENERAL POWERS

The affairs of the Institute shall be managed by its Board of Directors.

### 2. NUMBER

The Initial number of the Board of Directors shall be Three, who are identified in the Articles of Incorporation. They are the Founding Directors.

The Institute will have seven (7) Directors. The Board may increase or decrease the number of Directors but not less than three.

The Board of Directors may further invite the Chair of each committee to serve on the Board of Directors on a non-voting basis.

### 3. REMOVAL

The Board of Directors, by affirmative vote of two-thirds of all members of the Board of Directors, may remove an appointed Director with or without cause after an appropriate hearing.

### 4. MANNER OF ACTING

The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board or Directors, unless the act of a greater number is required by statute, these bylaws, or the article of incorporation. No director may act by proxy on any matter.

Electronic Meetings The following shall apply to any electronic meetings of the Institute.

#### **1. Purpose:**

- a) The Institute Board and any Committee may hold Electronic Meetings as needed to perform their organizational, administrative, and leadership functions as to best serve AIPA.
- b) The AIPA shall ordinarily hold Electronic Meetings and any Director may attend any Board Meeting or Committee meeting electronically or virtually in whatever medium is available to the Board or Committee.

#### **2. Times and Locations:**



- a) Electronic Meetings shall be conducted via e-mails sent to each Director's official e-mail address.
- b) Electronic Meetings shall be asynchronous, lasting for no longer than 72 consecutive hours.

**3. *Quorum and Attendance:***

- a) Quorum shall be a response from a majority of all Directors of the AIPA.
- b) Attendance shall be optional.
- c) Attendance shall be determined by an appropriate response within the 72-hour timeframe.
- d) Failure to reply within 72 hours shall result with a Not Voting (NV) being recorded.

**4. *Procedure:***

- a) The AIPA Executive Director or Committee Chair as the case may be shall email each Director with the issues to be voted on divided by number.
- b) Each Director or Committee Member will "reply all" with his or her response for each issue.
- c) Each response may be a yes, no, or abstain
- d) If a Director chooses to abstain, he or she shall attach a brief statement explaining why.
- e) Absentee voting is not allowed.
- f) The results of these votes shall be recorded and added to the minutes of the Meeting.

**5. ANNUAL MEETING**

The Board of Directors will hold their annual meeting the first Tuesday of February beginning 2013.

**6. ELECTION OF BOARD OF DIRECTORS**

Prior to the first annual meeting, the Board of Directors may elect additional directors at any regular scheduled Board meeting through December 2012. Following the first annual meeting, on 2013, new board members will be elected at any scheduled annual meeting or at a special meeting scheduled for that purpose.

**7. POLICY FOR ELECTION OF DIRECTORS**

The directors shall be elected by the Board of Directors. The directors shall be divided into two classes for the purpose of staggering the election of directors. This policy is adopted to assure continuity of leadership of the Institute. Each class shall consist of not less than three or more than four directors. Each member of a class of directors shall be elected and hold office for a term of two years and until a successor has been elected and qualified, except the initial directors who shall be elected for the terms described as follows. The Founding Directors of the Institute listed in the Articles of Incorporation shall elect (i) not less than three nor more than four initial directors (in addition to founding Directors) to serve through 2013, and (ii) not less than three nor more than fifteen initial directors to serve until 2014.,. Directors need not be residents of Illinois. Any director may resign at any time by giving written notice

to the President or to the Secretary. A resignation need not be accepted in order to be effective.

#### 8. VACANCIES

Vacancies occurring in the Board of Directors or any directorship to be filled by reason of an increase in the number of Directors, shall be filled by special election by the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

#### 9. COMPENSATION/CONFLICT OF INTEREST

No salaries, dividends or other direct benefits will inure to the Board of Directors, board members or contributors of the Institute, aside from benefits to which board members are entitled. No member of the Board of Directors will derive any personal profit or gain, directly or indirectly, by reason of membership on the Board of Directors, or services to the Board of Directors, provided that nothing contained herein shall be construed to prohibit the Institute from entering into contract for services in the ordinary course of its business at a reasonable and competitive fee with individual directors or corporations, partnerships, or associations of which a director is an officer, employee, or partner, or member and which contract terms shall be fully disclosed to the Board of Directors. Furthermore, no director, officer, or board member of the administrative or managerial staff of the Institute shall be in any relationship with any other business enterprise or engage in any activity which might tend to affect the independence of judgment with reference to the best interests of the Institute or which might tend to misrepresent the Institute's endorsement of any activity. The Institute requires, therefore, that any such relationship or activity be disclosed to its Board of Directors for a determination as to whether it might be in conflict with the duty and loyalty owed by the directors, officers, or any board member of the administrative or managerial staff to the Institute. Officers and Employees may be entitled to reasonable compensation as Officers and Employees even if they serve as Directors.

#### 10. REGULAR MEETINGS

The Board of Directors may provide by resolution the time and place, either within or without the State of Illinois, for the holding of meetings of the Board of Directors without other notice than such resolution.

#### 11. SPECIAL MEETINGS OF THE BOARD

Special meetings of the Board of Directors may be called by or at the request of the President or by any three Board Members of the Executive Director at a time and place fixed at the time of request.

#### 12. NOTICE OF SPECIAL MEETING

Notice of any special meeting of the Board of Directors shall be given at least three days previously thereto. Any director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such a meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need to be specified in the notice or waiver of notice of such meeting unless specifically required by law or by these bylaws.

### 13. QUORUM

One-third of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

### 14. INFORMAL ACTION BY DIRECTORS

The authority of the Board of directors may be exercised without a meeting if consent in writing, setting forth the action taken, is signed by all the directors entitled to vote or by e-votes.

### 15. BOARD OF ADVISORS

AIPA will also have a Board of Advisors consisting of individuals of experience and accomplishment in the performing arts, the entertainment industry, media production, the learned professions, education, business, finance, Institute Development, and community, national and global leadership. The number Members of the Board of Advisors shall be determined from time to time by the Board of Directors. The Board of Advisors shall be consulted by the Board of Directors and the Executive Staff for advice and expertise as to any matter relating to the mission, purpose and operations of the Institute.

## VII. RULES AT MEETING

All meetings of the Board of Directors and board committees shall follow Robert's Rules of Order.

## VIII. OFFICERS

### 1. BOARD OFFICERS

The principal officers of the Board of Directors of the Institute shall be a President, Vice-President, Secretary, and Treasurer. Other officers and assistant officers may be elected or appointed by the Board of Directors. The same person may not hold the position of two principal officers. The same person may hold the position of Executive Staff (that is the Executive Director, the Executive Creative Director, or the Director of Global Relations) The principal officers must be members of the Board of Directors. The Board Officers shall constitute the Executive Committee. . The Executive Committee may exercise the powers of the Board of Directors when the Board of Directors is not in session, reporting any action taken to the Board of Directors at its succeeding meeting.

## 2. ELECTION AND TERM OF OFFICE

The officers of the Institute shall be elected by the Board of Directors and are part of the board for a term of two years. Each officer shall hold office until a successor shall have been duly elected or until such officer shall resign or shall be removed in the manner hereinafter provided. Election or appointment of an officer or agent shall not of itself create contract rights. Any officer may resign at any time by giving notice to the Board of Directors.

## 3. REMOVAL

Any officer may be removed by the Board of Directors, either with or without cause, whenever in its judgment the best interests of the Institute shall be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the person so removed.

## 4. VACANCIES

A vacancy in any office, however caused, may be filled by a special election of the Board of Directors for the unexpired portion of the term.

## 5. PRESIDENT

Subject to the direction and control of the Board of Directors, the President shall be in charge of general oversight of the business and affairs of the Institute; he or she shall see that the resolutions and directives of the Board of Directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the Board of Directors; and, in general, he or she shall discharge all duties incident to the Office of President and such other duties as may be prescribed by the Board of Directors. He or she shall preside at all meetings of the Board of Directors. Except in those instances in which the authority to execute is expressly prescribed by the Board of directors or these bylaws, he or she may execute for the Institute any contracts, deeds, mortgages, bonds, or other instruments which the Board of Directors has authorized to be executed, and he or she may accomplish such execution either individually or with the Secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. He or she shall be vested in a different officer or agent of the Institute by the Board of Directors.

## 6. VICE-PRESIDENT

The Vice-President shall assist the President in the discharge of his or her duties as the President may direct and shall perform such other duties as from time to time may be assigned to him or her by the President or the Board of Directors. In the absence of the President or in the event of his or her inability or refusal to act, the Vice-President shall perform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Institute or a different mode of execution is expressly prescribed by the Board of Directors or these bylaws, the Vice-President may execute for the Institute any contracts, deeds, mortgages, bonds or other instruments which the Board

of Directors has authorized to be executed, and he or she may accomplish such execution either individually or with the Secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. The Vice-President shall be an ex officio member of all Board committees.

7. TREASURER

The Treasurer shall be the principal accounting and financial officer of the Institute. He or she shall (a) have charge of and be responsible for the maintenance of adequate books of account for the Institute; (b) have charge and custody of all funds and securities of the Institute, be responsible therefore, and for the receipt and disbursement therefore; and (c) perform all duties incident to the Office of Treasurer and such other duties as from time to time may be assigned to him or her by the Board of Directors. The Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

8. SECRETARY

The Secretary shall (a) keep a record of all the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) be custodian of the corporate records; (d) keep a register of the post office and email address of each board member which shall be furnished to the Secretary by such board member; and (e) perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

9. ABSENCE

In the absence or unforeseen inability to act as any officer of the Association, the Board of Directors may from time to time delegate the powers or duties of such officer to another person whom it may select.

**IX. COMMITTEES**

1. EXECUTIVE COMMITTEE

The Executive Committee shall consist of the four officers of the Board of Directors (President, Vice-President, Secretary, and Treasurer) plus one additional board member elected by the Board of Directors. This committee shall possess and exercise the authority of the Board of Directors in the management of the business of the Board of Directors arising between the meetings of the Board of directors. All such meetings and actions must be fully reported to the full Board of Directors

2. COMMITTEES OF THE INSTITUTE

The Board of Directors, by the majority of Directors present at a meeting at which there is a quorum, shall establish such committees and their purpose and duration as it deems appropri-

ate for the management, promotion or other purposes of the Institute. The President of the Board of Directors shall designate a Chair of each committee.

### 3. APPOINTMENT OF COMMITTEES

The appointed chair will appoint members of that committee.

### 4. REMOVAL

The Board may remove the Chair of any committee whenever, in its sole discretion or judgment, such removal would serve the best interests of the Institute.

The Chair of any committee may remove any member thereof which he or she has appointed whenever such removal, in the Chair's discretion or judgment, is in the Institute's best interest.

### 5. QUORUM

Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall be the act of the committee.

### 6. RULES

Each committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the Board of Directors.

### 7. INFORMAL ACTION

The authority of a committee may be exercised without a meeting if consent in writing, setting forth the action taken, is signed by all the members entitled to vote, which vote may be by e-vote.

## **X. EXECUTIVE DIRECTOR AND STAFF**

The Board establishes policy; the Executive Staff oversees operations.

1. The Executive Director. The Executive Director is the Chief Executive Officer of the Institute. The Executive Director may but need not be a voting member of the Board of Directors, but attends whether a voting member or not, shall attend all Board meetings. The Executive Director is responsible to the Board of Directors for execution of board policies and programs. The Executive Director is responsible for the supervision of paid staff and volunteers in the process of administering Board policies and programs. The Board of Directors shall employ staff to administer its policies and programs. The Executive Director shall approve the appointment of each employee prior to that employee's first day of hire.

### **SPECIFIC RESPONSIBILITIES OF THE EXECUTIVE DIRECTOR**

1. Operation of the Institute except as otherwise approved by the Board of

Directors.

2. Initiation and recommendation of programs and curriculum.
3. Initiation and approval of all expenditures under the Board approved budget.
4. With help as needed from the Board of Directors, employing and discharging of personnel, as well as determining their duties and salaries
5. Coordination of activities of the staff and volunteers.
6. Ex Officio member of all Board committees.
7. Submission of monthly reports to the Board of Directors, to keep Board members abreast of Institute's activities and programs and call to their attention any matters requiring their notice or action.
8. Submission of written reports to the Board of Directors (about Institute status, including program, personnel, finances, and community relations).
9. The Executive Director is the official medium of communication between the Board of Directors and the staff.
10. The Executive Director is responsible for coordinating with the Director of Global Relations the development of relationships with outside groups, including the approval of press releases regarding the Institute and its mission with the Executive Creative Director and the Director of global Relations.

The Executive Creative Director. The Executive Creative Director shall be an executive employee who shall have primary responsibility for the production standards and methods of the media and educational materials to be acquired and licensed or distributed by the Institute. He or she shall have primary responsibility to make recommendations to the Board of Directors about selection and acquisition of licenses of programming, collections, objects, exhibits, special events, and educational programs, and the method and manner of their production.

The Director of Global Relations. The Director of Global Relations shall be an executive employee who shall have primary responsibilities for organizing and coordinating the international activities and transactions of the Institute. The Director of Global Relations is responsible for the development of relationships with outside groups, including the approval of press releases regarding the Institute and its mission with the Executive Director and the Executive Creative Director.

## **XI. CONTRACTS, CHECKS, DEPOSITS, AND ASSETS**

### **1. CONTRACTS**

The Board of Directors may authorize any officer, agent or agents of the Institute, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Institute, and such authority may be general or confined to specific instances.

2. CHECKS, DRAFTS, ETC.

All checks, drafts and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Institute shall be signed by such member of the Executive Staff, officer or officers, agent(s) of the Institute and in such manner as shall from time to time be determined by resolution of the Board of Directors.

3. DEPOSITS

All funds of the Institute shall be deposited from time to time to the credit of the Institute in such banks, trusts companies, or other depositories as the Board of Directors may select.

4. GIFTS

The Board of Directors may accept on behalf of the Institute any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Institute.

**XII. BOOKS AND RECORD**

The Institute shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its Board of Directors meetings and shall keep at the registered office a record giving the names and email addresses and addresses of the board members entitled to vote. These records may be inspected by a Director, or any Director's agent or attorney for any proper purpose at any reasonable time.

**XIII. FISCAL YEAR**

The fiscal year shall be the calendar year.

**XIV. NOTICES**

1. MANNER OF NOTICE

Whenever under the provisions of law, the Articles of Incorporation or these bylaws notice is required to be given to any director or member of any committee designated by the Board of Directors, it shall not be construed to require personal delivery.

Any notice of any kind required to be given to a Director may be given by email and shall be addressed to the email address that the Director has provided by said email to all directors and to the AIPA Secretary. This electronic Notice shall be the official Notice of the Institute. From time to time, the Secretary shall publish a list of email addresses on the Director only section of the website of the Institute. The Institute may also create a Director only section



of the Website with secure sign in required, and may maintain a secure Director area on the site where any notices may be posted. E Notices are deemed made when sent. All Directors are requested to acknowledge receipt of Board Notices with a “Reply to All” response.

Such notice may also be given in writing by depositing it in a sealed envelope in the United States mails, postage prepaid and addressed to or by delivering it to a telegraph company, charges prepaid, for transmission to such director or committee member either at such director or committee member’s address as it appears on the books of the Institute or at the business address of a director or committee member; and such notice shall be deemed to be given at the time when it is thus deposited in the U.S. mails or delivered to the telegraph company. Such requirement for notice shall be deemed satisfied if actual notice is received orally or in writing by the persons entitled to such notice as far in advance of the event with respect to which notice is given as the minimum notice period required by law, the Articles of Incorporation or by these bylaws.

## 2. WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Illinois General Not for Profit Institute Act or under the provisions of the Articles of incorporation or the Bylaws of the Institute, a waiver of such notice in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. .

## XV. INDEMNIFICATION

### 1. INDEMNIFICATION IN ACTIONS OTHER THAN BY OR IN THE RIGHT OF THE INSTITUTE.

The Institute may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative (other than action by or in the right of the Institute) by reason of the fact that he or she is or was a director, officer, employee or agent of the Institute, or is or was serving at the request of the Institute, partnership, joint venture, trust or other enterprise, against expenses (including attorney’s fees) judgments, fines and amounts paid in settlement actually and reasonable incurred by such action, suit or proceeding, if such person acted in good faith and in a manner he or she reasonable believed to be in, or not opposed to the best interests of the Institute, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, shall not, or itself, create a presumption that the person did not in good faith and in a manner which he or she reasonable believed to be in or not opposed to the best interests of the Institute or, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his or her conduct was unlawful.

### 2. INDEMNIFICATION IN ACTIONS BY OR IN THE RIGHT OF THE INSTITUTE.

The Institute may indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Institute to

procure a judgment in its favor by reason of the fact that such person is or was a director, officer, employee or agent of the Institute, or is or was serving at the request of the Institute as a director, officer, employee or agent of another Institute, partnership, joint venture, trust or other enterprise against expenses (including attorney's fees) actually and reasonable incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner he or she reasonable believed to be in, or not opposed to, the best interests of the Institute, provided that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Institute, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonable entitled to indemnity for such expenses as the court shall deem proper.

### 3. RIGHT TO PAYMENT OF EXPENSES

to the extent that a director, officer, employee or agent of the Institute has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

### 4. DETERMINATION OF CONDUCT

Any indemnification under Sections 1 and 2 of this Article (unless ordered by a court) shall be made by the Institute only as authorized in the specific case, upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the members entitled to vote, if any.

### 5. PAYMENT OF EXPENSES IN ADVANCE

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Institute in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Institute as authorized in this Article.

### 6. INDEMNIFICATION NOT EXCLUSIVE

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of

board members or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent, shall inure to the benefit of the heirs, executors and administrators of such a person.

#### 7. INSURANCE

The Institute may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Institute, or who is or was serving at the request of the Institute as a director, officer, employee or agent of another Institute, partnership, joint venture, trust or other enterprise, against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Institute would have the power to indemnify such person against such liability under the provisions of this Article.

#### 8. NOTICE TO MEMBERS OF THE BOARD

If the Institute has paid indemnity or has advanced expenses under this Article to a director, officer, employee or agent, the Institute shall report the indemnification or advance in writing to any members of the board entitled to vote with or before the notice of the next meeting of the board members entitled to votes.

#### 9. REFERENCES TO INSTITUTE

For purposes of this Article, references to “the Institute” shall include, in addition to the surviving Institute, any merging Institute (including any Institute having merged with a merging Institute) absorbed in a merger which, if its separate existence had continued, would have had the power and authority to indemnify its directors, officers, employees or agents, so that any person who was a director, officer, employee or agent of such merging Institute, or was serving at the request of such merging Institute as a director, officer, employee or agent of another Institute, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article with respect to the surviving Institute as such person would have with respect to such merging Institute if its separate existence has continued.

#### 10. OTHER REFERENCES

For purposes of this Article, references to “other enterprises” shall include employee benefit plans; references to “fines” shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to “serving at the request of the Institute” shall include any services as director, officer, employee or agent of the Institute which imposes duties on, or involves services by such director, officer employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries. A person who acted in good faith and in a manner he or she reasonable believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interest of the Institute” as referred to in this Article.

### **XVI. LEGISLATIVE OR POLITICAL ACTIVITIES**

No substantial part of the activities of the Institute shall be the carrying on of propaganda or otherwise attempting to influence legislation and the Institute shall not participate in or intervene (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

## **XVII. OPERATIONAL LIMITATIONS**

Notwithstanding any other provisions of these articles, the Institute shall not carry on any other activities not permitted to be carried on (a) by a Institute exempt from Federal Income Tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a Institute, contribution, to which are deductible under section 170 (c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

## **XVIII. DISSOLUTION**

Upon the dissolution of the Institute, the Board of Directors shall, after paying or making provisions for the payment of all liabilities of the Institute, dispose of all the assets of the Institute exclusively for the purposes of the Institute in such manner, or to such organization or organization organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Court of the county in which the principal office of the Institute is then located, (currently Kane County, Illinois, USA) exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

## **XIX AMERICAN INSTITUTE OF PERFORMING ARTS CODE OF ETHICS**

### **Statement of Purpose**

Institute governance, as a non-profit Institute, is a public trust; the American Institute of Performing Arts is the trustee of performing arts history, collections, knowledge, and education. As such, the Institute and its representatives must act with integrity, cultural sensitivity, and in accordance with appropriate laws and ethical principles in order to maintain the public confidence with which the Institute has been entrusted.

The Institute protects and enhances its collections and, programs, as well as its physical, human, and financial resources for some benefit to society. As such, it must ensure that all these resources support the Institute's mission, respond to the pluralism of society, and respect the diversity of the natural and cultural common wealth. The Institute accepts the responsibility to ensure that all those who work for or on behalf of the Institute understand and support its mission, and understand the public trust responsibilities that its mission entails.

Additionally, the Institute is accountable for stewardship of its property and collections, conducting its programs, and serving the public with accuracy, honesty, and sensitivity. Since

staff, volunteers, and Board members are never wholly separable from their Institute, any Institute-related action by an individual may reflect on the Institute or be attributed to it.

The law provides minimum standards with which the Institute must comply, however, the Institute must act both legally and ethically. The principles outlined in this code of ethics are meant to guide the actions of staff, volunteers, and others doing work on behalf of the Institute and to be used as a benchmark in evaluating the success of meeting our obligations in that regard.

This code is written with the understanding that every relationship and action that exists entails a certain degree of ethical responsibility. It is also understood that ethical responsibility extends beyond the individual to governance of the Institute at all levels, and that the Institute as a whole must build and live up to its ethical standards. Thus the individual board members of the Institute and the Institute itself have a responsibility to the public good and to those people who provide public service through the Institute.

## **A. Ethical Responsibility of the Institute**

### **1. Mission**

All activities within the Institute will be related to and in keeping with the mission of the Institute. The Institute ensures that its collections, programs, and its physical, human, and financial resources are protected, maintained, and developed in support of the Institute's mission. Decisions regarding the appropriateness of exhibits, programs, collection activities, will be measured, in part, by their relationship to the mission of the Institute. Property, including physical and intellectual property or collections, belonging to the Institute will not be used by the Institute or released for use by any other party for any purpose contrary to the mission of the Institute. The Institute will use professional standards and practices to inform and guide all Institute operations and activities.

**a. Commercial activities:** Commercial activities undertaken by the Institute will not violate or compromise the integrity of the Institute's Mission, the ability of the Institute or its staff to maintain professional standards, or the Institute's not-for-profit status. Control of a product (e.g. exhibition, publication, programming) will neither be delegated to, or abrogated by, outside parties in order to obtain financial support. Commercial activities associated with the Institute, as well as the publicity related to them, will also be in keeping with the mission of the Institute, relevant to the basic educational purpose of the Institute, and the integrity of the permanent collections.

**b. Fundraising practices:** Donations will not be sought or accepted from any donor where such a donation would compromise the integrity or image of the Institute or its mission or which constricts the Institute in its ability to present any side of an issue. Please refer to the Institute's Policy on Conflicts of Interest and Disclosure of Certain Interests hereinafter.

### **2. Public Trust**

**a. Fiduciary and legal responsibility:** The Institute will act responsibly in its financial decisions so as to protect the financial support necessary to maintain the Institute's mission and

collections for the public trust. The Institute, its staff, its policies, and its practices will conform to and comply with all applicable federal, state, and local laws and all applicable international treaties. The Institute ensures that its governance will promote the public good rather than individual financial gain.

**b. Programs and audience:** Institutes serve society by advancing the performing arts understanding and appreciation of the natural and cultural common wealth through program licensing, exhibitions, research, scholarship, publications, and educational activities. These programs further the Institute's mission and will represent the best practices and performing arts theory, and are responsive to the concerns, interests, and needs of society. Therefore, the Institute ensures that its programs support its mission and public trust responsibilities. Furthermore, the Institute ensures that its programs are founded on performing arts scholarship and marked by intellectual integrity. Institute programs will be accessible and will encourage participation of the widest possible audience consistent with its mission and available resources. The Institute will ensure that its exhibits and programs are accurate, based on the best knowledge available to at the time, and that they do not perpetuate stereotypes.

**c. Community:** The Institute will consider community input in the planning and development of exhibits, programs, and events. The Institute will act in cooperation with other Institutes and organizations to further the mission of the Institute and that of the other Institutes and organizations. The Institute will strive to be responsive to and represent the interests of the community and society.

**d. Institutional Conflict of Interest:** American Institute of Performing Arts strives to meet the highest ethical standards pertaining to addressing potential conflicts of interest. Please refer to the attached American Institute of Performing Arts Policy on Conflicts of Interest and Disclosure of Certain Interests (Appendix A).

### 3. Diversity

The Institute will value historic and performing arts research, public education, and the need to pursue these activities in a respectful, non-intrusive manner that recognizes the rights of nations and peoples. Relationships between the Institute and all cultural groups will be governed by respect for human rights, compliance with applicable law, and for the values of performing arts research and public education.

The Institute has a responsibility to foster an environment that encourages and accepts religious, cultural, physical, and experiential differences. Given that, the Institute has the responsibility to teach and train its personnel to meet changing diversity goals and issues.

The Institute also has a responsibility to ensure that its workforce reflects the diversity of the community it serves. Differences including but not limited to race, age, sexual orientation, physical and mental ability, gender, educational level, economic class, and cultural heritage will be welcomed, sought out, and valued by the Institute.

The Institute has a responsibility to the public to design promotional materials, programs, and environments to welcome underrepresented populations and audiences not currently being

served. People's differing needs will be taken into account in all our work. The Institute will approach these challenges with a sincere interest in serving the community, taking care not to exploit the relationship the Institute is building. It is the responsibility of the Institute to provide education and development opportunities that will help Institute personnel better serve diverse audiences.

#### **4. Fair personnel policies, procedures, and enforcement and Employee Protection (Whistleblower) Policy**

The Institute has an ethical responsibility to treat Institute personnel with respect, honesty, openness, and dignity. The Institute will provide fair policies and procedures that are enforced consistently throughout the organization. The Institute has an ethical responsibility to provide a personnel policy to all Institute personnel. The Institute will maintain a relationship with staff in which shared roles are recognized and separate responsibilities respected. The Institute also ensures that policies are articulated and prudent oversight is practiced.

The Institute has an ethical responsibility to act in good faith in making decisions affecting Institute personnel in such matters as compensation, job security, and professional development.

The Institute will respect the professional expertise and opinions of Institute personnel. Governance is structured so that the resolution of issues involving professional matters incorporate the opinions and professional judgments of relevant members of the staff including those who will be affected by the decisions. Where the professional opinions or judgments of Institute personnel conflict with the policies or decisions of the Institute, the Institute will not require Institute personnel to compromise their professional opinions, judgments, or reputations to promote the Institute's position. Conversely, no Institute personnel will use their professional opinions, judgments, or reputations to compromise the Institute's integrity or reputation. Institute personnel will use appropriate means to change Institute policies and decisions when they feel that those policies or decisions may have a damaging effect on the Institute or on the profession.

If any employee reasonably believes that some policy, practice, or activity of American Institute of Performing Arts is in violation of law, a written complaint must be filed by that employee with the Executive Director or the Board President.

It is the intent of American Institute of Performing Arts to adhere to all laws and regulations that apply to the organization and the underlying purpose of this policy is to support the organization's goal of legal compliance. The support of all employees is necessary to achieving compliance with various laws and regulations. An employee is protected from retaliation only if the employee brings the alleged unlawful activity, policy, or practice to the attention of American Institute of Performing Arts and provides the American Institute of Performing Arts with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to employees that comply with this requirement.

American Institute of Performing Arts will not retaliate against an employee who in good faith, has made a protest or raised a complaint against some practice of American Institute of

Performing Arts, or of another individual or entity with whom American Institute of Performing Arts has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

American Institute of Performing Arts will not retaliate against employees who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of American Institute of Performing Arts that the employee reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

## 5. Collections and Property

**a. Collections:** The ownership, care, and use of collections representing the world's cultural common wealth confer special responsibilities to Institutes. The stewardship of collections entails the highest public trust and carries with it the presumption of rightful ownership, permanence, care, documentation, accessibility, and responsible disposal.

The Institute has a unique obligation to its collections and the value that they hold for society. The ethical obligation of the Institute as a repository is to apply the appropriate high standard of stewardship. As such the Institute will manage, maintain, and conserve objects in its ownership or care according to the best practices and standards of the discipline they represent. The Institute will work to ensure that collections held in its care and stewardship will support its mission and public trust responsibilities. Collections in the Institute's custody will be lawfully held, protected, secure, unencumbered, cared for, and preserved. It also needs to ensure that collections in its custody are appropriately accounted for, managed, maintained, and documented. Collections-related activities will promote the public good rather than individual financial gain. Competing claims of ownership that may be asserted in connection with objects in its custody will be handled openly, seriously, responsively and with respect for the dignity of all parties involved.

The Institute ensures that access to the collections and related information is permitted and regulated within guidelines presented in its collections policy and in compliance with national standards.

Please refer to American Institute of Performing Arts Collections and Curation Policy for further information and guidelines governing collecting activity, data, performing arts value, accessioning, and environmental impacts.

**b. Institute Property:** The property of the Institute, whether physical or intellectual, is acquired, produced, and maintained for the sole purpose of furthering the Institute's mission. Use of Institute property by Institute personnel for projects outside of Institute business will not occur without the prior express consent of the Institute. Institute personnel will not use property or materials owned by the Institute for personal profit or gain, or to further political, personal, or religious causes, or in any way that would reflect negatively on the Institute. All work product prepared by American Institute of Performing Arts employees on contract employees, including all curricula, marketing information, contact lists, solicitation lists, or files of any



kind prepared while an employee on contract employee shall be understood to be the property of American Institute of Performing Arts.

## **6. Personal Data**

The Institute abides by the highest ethical and legal standards when dealing with personal data. Personal data is gathered, maintained, and used only for the purpose of furthering the mission of the Institute. The Institute ensures that it complies with all State and Federal Laws pertaining to the gathering and use of personal data.

## **7. The Institute and environment**

The Institute has an ethical responsibility to provide the public with performing arts information and opinion about the complex and interrelated environmental opportunities and challenges facing the world. The Institute will incorporate and implement, wherever feasible, the best in renewable energy, energy-efficient, and environmental design and operation in its facilities and programs and will model such activities to the public.

### **B. The Ethical Responsibility of the Institute's Personnel**

#### **1. Professional Conduct:**

Institute personnel have a separate duty to the public trust. As such, Institute personnel will understand and fulfill their responsibility to act corporately, not as individuals. This duty includes, but is not limited to, the gathering of performing arts information, the protection of that performing arts information, and the honest, accurate, and appropriate dissemination of that information to the public.

Institute personnel, when acting in their capacity as representatives of the Institute, will respect and promote the codes, policies, and decisions of the Institute. Where the professional opinions or judgments of Institute personnel conflict with the policies or decisions of the Institute, Institute personnel will not use their position to compromise the Institute's integrity or reputation.

Institute personnel will avoid situations that could, rightly or wrongly, be construed as improper conduct of any kind at all times and in all places where they are representing, or construed as representing, the Institute.

#### **2. Working Relationships:**

The working relationship among all Institute personnel is based on equity and mutual respect. Institute personnel will use the different skills, experiences, and styles that people bring to the Institute to foster opportunities for teamwork and collaboration. It is the ethical responsibility of Institute personnel to treat each other and the public respectfully and with sensitivity in the context of differences including but not limited to race, age, sexual orientation, physical and mental ability, gender, educational level, economic class, and cultural heritage. Institute personnel have a responsibility to maintain an open mind concerning diversity and what can be learned from new experiences.

### **3. Personal Conflict of Interest:**

Disclosure is fundamental to understanding and dealing with potential conflicts of interest. Disclosure provides an opportunity to examine a proposed activity to determine whether an actual or potential conflict of interest may exist and if so, to resolve it in a manner that is mutually satisfactory to both the Institute and to Institute personnel.

### **4. Outside employment and activities:**

Institute personnel will recognize that when outside activity or employment is related to their regular duties for the Institute there is the potential that they are perceived as representing the Institute in these activities. Institute personnel will discuss with their supervisor all aspects of the outside activity or employment that may be construed to impact the reputation of the Institute. Together they will work to eliminate the potential for any perceptions of that activity, accurate or inaccurate, that would reflect negatively on the Institute. Institute personnel will not use their Institute position for personal gain at the expense of the Institute or appear to compromise the integrity of the Institute.

Additional guidance to Employees on these issues is contained in the Employee Handbook.

### **5. Gifts, favors, discounts, dispensations:**

All Institute personnel who are authorized to spend Institute funds will do so with impartiality, honesty, and with regard only to the best interest of the Institute. Institute personnel will not receive gifts, favors, personal discounts, or other dispensations in carrying out the business of the Institute when there is the potential perception that by receiving such gifts and favors a conflict of interest is created.

### **6. Personal collecting:**

Institute personnel will not compete with the Institute in any personal collecting activity or use their Institute affiliation to promote their personal collecting activities.

### **7. Youth:**

Youth are a vital part of the Institute community and will be respected as peers who have valuable input to bring to the Institute. Institute personnel will encourage youth to become active participants in their learning experience by allowing them the freedom to explore and expand the opportunities available to them. The Institute has high expectations for the potential of all youth regardless of race, gender, class, or physical ability to excel in the performing arts. Institute personnel have a responsibility to be supportive and encouraging of youth, sensitive to their needs, and able to provide direction and guidance.

Young people come to the Institute with different needs for learning, stages of development, and life experiences and look to adults for mentorship. Since adults naturally wield a certain

authority and power over youth, Institute personnel will take care not to inappropriately direct youth or misuse the authority of the relationship.

As minors, youth can never be considered wholly outside of the context of their families. Institute personnel have a responsibility to keep a young person's family apprised of successes and activities of their children as well as activities that may involve a parental or guardian decision. Institute personnel also have an ethical duty to direct and guide youth in Institute-related activities that are appropriate to the family experiences and cultures that they bring with them.

## **8. Review**

The entire document will be reviewed for compliance and adequacy on a regular basis following the adoption of the guidelines. This document will be redrafted as required or appropriate to comply with new or changing ethical guidelines.

## **9. Closure statement**

The Institute and its personnel will strive to comply with all the guidelines outlined in this document. In the case that ethical issues arise that are not covered, or seemingly covered, by the preceding guidelines they will be brought to the attention of the Executive Director or the Board for resolution.

## **10 American Institute of Performing Arts Policy on Conflicts of Interest and Disclosure of Certain Interests**

This conflict of interest policy is designed to help board members, officers and employees of American Institute of Performing Arts identify situations that present potential conflicts of interest and to provide American Institute of Performing Arts with a procedure which, will allow a transaction to be treated as valid and binding even though a director, officer or employee has or may have a conflict of interest with respect to the transaction.

The officers and directors will act without compensation until sufficient revenues from fundraising and operations can pay the operating expenses and AIPA has accumulated sufficient operating reserves. No compensation will be paid without the approval of the vote of a majority of an independent board, that is the board members without a financial interest in the compensation determination. It is anticipated that independent contractors will be engaged for editing of materials, production of companion website materials. No employee will be paid in excess of fair compensation. All Independent Contractors will be hired at no more than fair market value. All compensation and other financial arrangements are subject to this Conflict of Interest Policy.

The AIPA Conflict of Interest Policy requires an independent board approval of any compensation for officers, directors, trustees, highest compensated employees and highest compensated independent contractors. It is anticipated that activities of AIPA will be conducted by volunteers and unpaid interns and that independent contractors will be engaged at fair marked rates.

## 1. Conflict of Interest Defined:

### A. Outside Interests

- a. A contract or transaction between American Institute of Performing Arts and a member of the Board of Directors, Employee or Family Member.
- b. A contract or transaction between an entity in which a member of the Board of Directors, Employee or Family Member has a material financial interest or of which such person is a director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative.

### B. Outside Activities:

- a. A member of the Board of Directors or Employee competing with American Institute of Performing Arts in the rendering of services or in any other contract or transaction with a third party.
- b. A member of the Board of Directors or Employee having a material financial interest in; or serving as a director, officer, employee, agent partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative of, or consultant to; an entity or individual that competes with American Institute of Performing Arts in the provision of services or in any other contract or transaction with a third party.

### C. Gifts, Gratuities and Entertainment: A member of the Board of Directors or Employee accepting gifts, entertainment or other favors from any individual or entity that:

- a. Does or is seeking to do business with or is a competitor of American Institute of Performing Arts; or
- b. Has received, is receiving or is seeking to receive a loan or grant, or to secure other financial commitments from American Institute of Performing Arts;
- c. Is a charitable organization operating in Illinois;

Under circumstances where it might be inferred that such action was intended to influence or possibly would influence the member of the Board of Directors or Employee 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 American Institute of Performing Arts.

## 2. Definitions

- A. A "Conflict of Interest" is any circumstance described in Part 1 of this policy

B. A "Family Member" is a spouse, domestic partner, parent, child or spouse of a child, brother, sister, or spouse of a brother or sister, of a Responsible Person.

C. A "Material Financial Interest": in an entity is a financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect a member of the Board of Directors or Employee or Family Member's judgment with respect to transactions to which the entity is a party. This includes all forms of compensation.

D. A "Contract or Transaction" is any agreement or relationship involving the sale or purchase of goods, services, or rights of any kind, the providing or receipt of a loan or grant, the establishment of any other type of pecuniary relationship, or review of a charitable organization by American Institute of Performing Arts. The making of a gift to American Institute of Performing Arts is not a contract or transaction.

### **3. Procedures:**

A. Prior to Board of Directors or committee action on a contract or transaction involving a conflict of interest, a director or committee member 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.

B. A Trustee or committee member who plans not to attend a meeting at which he or she has reason to believe that the Board of Directors 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 of Directors' or committee's discussion of the matter except to disclose the 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. 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. For purposes of the paragraph, a member of the Board of Directors of American Institute of Performing Arts has a conflict of interest when he or she stands for election as an officer for re-election as a member of the Board of Directors.

E. An Employee who is not a member of the Board of Directors of American Institute of Performing Arts, or shall disclose to his/her supervisor any conflict of interest that such Employee has with respect to a contract or transaction. Such disclosure shall be made as soon as the conflict of interest is known to the Employee. Employees shall refrain from any action that may influence American Institute of Performing Arts' participation in such contract or transaction.

In the event it is not entirely clear that a conflict of interest exists, the Employee with the potential conflict shall disclose the circumstances to his/her supervisor, who shall determine whether there exists a conflict of interest that is subject to this policy.

#### **4. Confidentiality:**

Each member of the Board of Directors or Employee shall exercise care not to disclose confidential information acquired if the disclosure of that information might be adverse to the interests of American Institute of Performing Arts. Furthermore, a member of the Board of Directors or an Employee shall not disclose or use information relating to the business of American Institute of Performing Arts for the personal profit or advantage of the member of the Board of Directors or Employee or Family Member.

#### **5. Review of policy:**

A. Each new member of the Board of Directors and Employee shall be required to review a copy of this policy and to acknowledge in writing that he or she has done so.

B. Each member of the Board of Directors and Employee shall annually complete a disclosure form identifying any relationships, positions or circumstances in which he or she is involved that could contribute to a conflict of interest arising. Such relationships, positions or circumstances might include service as a director of or consultant to a nonprofit organization, or ownership of a business that might provide goods or services to American Institute of Performing Arts. Any such information shall be treated as confidential.

C. This policy will be reviewed annually by each member of the Board of Directors. Any changes to the policy will be communicated immediately to the whole Board of Directors and all Employees.

### **DEFINITIONS**

**Code of ethics:** Formal statement of the body of moral precepts or rules of conduct considered to be the standards for a profession.

**Commercial Activity:** Any profit making activity aligned with the mission or interest of the Institute but outside the Institute's normal line of business.

**Personnel:** Anyone working on behalf of the Institute, paid or unpaid, including but not limited to full and part-time staff, volunteers, interns, docents, Directors, and consultants.

**Policy:** broad statement outlining the intent of the Institute with respect to one or more of its objectivities, as adopted by the Board of Directors. Once a policy is adopted by the Board of Directors, a formal amendment procedure is followed to change it. A governing principle; a framework for carrying out work; a definition of what is to be done.

**Policy, collections:** an approved, written statement of principles that provides a guidance system to achieve organizational purposes, objectives, and responsibilities and adopted by a governing board or authority.

**Procedure:** a statement of how a governing principle will be implemented; rules and regulations applied to a framework; a definition of how a policy is to be carried out.

**Qualified Content Expert:** An individual with the performing arts or technological training and expertise to render appropriate judgments concerning specific identifications, interpretations, or presentations on behalf of the Institute.

### **AIPA Employment Procedures & Policies**

AIPA strives to maintain an environment in which every employee can contribute and share specific skills, develop talents and realize their maximum potential.

#### Equal Employment Opportunity

Applicants are employed, and employees are treated during employment, without regard to race, color, religion, sex, age, national origin, disability, or status as a special disabled veteran, veteran of the Vietnam Era, recently separated veteran, or other protected veteran. All personnel actions, such as recruiting, hiring, training, promoting, compensation, benefits, transfers, layoffs, returns from layoff, and social and recreational programs, are administered without regard to race, color, religion, sex, age, national origin, disability, or status as a special disabled veteran, veteran of the Vietnam Era, recently separated veteran, or other protected veteran.

All employment decisions will be based so as to further the principle of equal employment opportunity. To ensure that promotion decisions are in accord with the principles of equal employment opportunity, AIPA will impose only valid requirements for promotional opportunities.

AIPA is strongly committed to the goal of equal employment opportunity, and it expects all individuals employed by AIPA to be so committed also. If AIPA finds anyone to be acting in violation of this stated policy, appropriate measures will be taken. AIPA expects that all employees will approach this responsibility with sensitivity and human concern. Success of this program will result in positive benefit to AIPA through the fuller use and development of human resources. AIPA expects your continued assistance and support in attaining the Company's objective of equal employment opportunity. AIPA shall have no segregated facilities

AIPA is committed to making reasonable accommodations which would allow an otherwise qualified person perform the essential functions of a job. Requests for a reasonable accommodation should be made to the Executive Director.

#### Statement Of AIPA Sexual Harassment Policy

**AIPA** is committed to providing a workplace that is free from all forms of discrimination, including sexual harassment. Any employee's behavior that fits the definition of sexual harassment is a form of misconduct which may result in disciplinary action up to and including dismissal.

AIPA's policy on sexual harassment is part of its overall affirmative action efforts pursuant to state and federal laws prohibiting discrimination based on age, race, color, religion, national origin, citizenship status, unfavorable discharge from the military, marital status, disability, and gender. Specifically, sexual harassment is prohibited by the Civil Rights Act of 1964, as amended in 1991, and the Illinois Human Rights Act.

Each employee of this company bears the responsibility to refrain from sexual harassment in the workplace. No employee -- male or female -- should be subjected to unsolicited or unwelcome sexual overtures or conduct in the workplace. Furthermore, it is the responsibility of all supervisors to make sure that the work environment is free from sexual harassment. All forms of discrimination and conduct which can be considered harassing, coercive or disruptive, or which create a hostile or offensive environment must be eliminated. Instances of sexual harassment must be investigated in a prompt and effective manner. All employees of this company, particularly those in a supervisory or management capacity, are expected to become familiar with the contents of this Policy and to abide by the requirements it establishes.

## **ARTICLE XX AMENDMENTS**

The power to alter, amend, or repeal the bylaws or adopt new bylaws shall be vested in the board of directors unless otherwise provided in the articles of incorporation or the bylaws. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given. The bylaws may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with law or the articles of incorporation.



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