

# Give the Gift of Music Foundation

## Principles and Policies

### General

Give the Gift of Music Foundation is a nonprofit Pennsylvania corporation organized exclusively for charitable, religious, educational, and scientific purposes under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. The organization intends to focus on providing musical education and enrichment to children age 7 to 18 years old and other lawful business permitted under the Pennsylvania Nonprofit Corporation Law of 1988 as amended.

Give the Gift of Music Foundation supports musical education for eligible children by providing donations of musical instruments and/or financial assistance in the form of scholarships to approved music education or enrichment programs in the communities surrounding the greater Phoenixville, PA area.

### Applications

Applications for Give the Gift of Music awards are accepted on an ongoing basis. Application forms are available from our website at:

<http://www.givethedgiftofmusic.org/application>

Applications can also be requested via email to:

[info@givethedgiftofmusic.org](mailto:info@givethedgiftofmusic.org)

or by writing to:

Give the Gift of Music Foundation  
400 Franklin Ave. Ste. 109  
Phoenixville, PA 19460

### Eligibility

Recipients of Give the Gift of Music Foundation awards or scholarships must be between the ages of seven (7) and eighteen (18) years of age and have both an interest in musical performance or composition and is in need of financial assistance to pursue further musical education or performance opportunities.

Determination of Financial Need is based on an evaluation of all employment and financial information supplied in the application form. To qualify a recipient must have at least one custodial parent or legal guardian receiving any of the following:

- National School Lunch Program (NSLP)
- PHA or HUD administered Housing Subsidies (Section 8)
- Supplemental Nutrition Assistance Program (SNAP)
- Temporary Assistance for Needy Families (TANF)

Total annual after-tax family income must be within 200% of the Federal Poverty Guidelines as published by [Health and Human Services](#).

### **Selection Process**

Submitted applications are reviewed by the Board of Directors on a monthly basis. The Board will review the information submitted in the application form to determine that the applicant meets the financial need requirement.

Applicants who meet the financial need requirement are then reviewed for their demonstrated musical interest. The Board will base their determination on information supplied from the application form as well as references and contact with teachers listed on the application form. Recommendations from current school teachers, administrators or guidance counselors are strong factors in the approval of any applicant. The Foundation's intention is to support applicants where the further development of musical education enhances, not distracts from the applicant's general academic studies and performance.

Approval of any application is through a majority vote (51%) of the Board of Directors with each member having a single vote.

Upon selection and approval by the Board of Directors, recipient awards are made from the currently available resources of the foundation or pending the availability of such resources in the future.

### **Exclusions**

The following are not eligible for Give the Gift of Music Foundation grants, awards or scholarships:

- Family members of any current or past member of the Board of Directors.

- Family members of any current or past employee of Give the Gift of Music Foundation.

- Family members include; self, spouses, siblings, children, grandchildren, cousins, nieces, or nephews. These relationships include those of both genetic basis and through marriage or domestic partnerships (i.e. step-children, brother-in-law, etc.)

The following exclusions apply to membership on the Board of Directors of the Give the Gift Foundation.

- Current or past members of the Board of Directors may not be the direct recipient of any Foundation award.

- At no time shall 2 or more members of the Board have an operational or financial interest in any provider receiving a Foundation award.

## **Awards**

Awards of musical instruments or equipment are given as grants to the recipient without condition or further obligation and become the property of the recipient.

Scholarship awards are directed to an approved musical educational provider selected by the recipient. Scholarship awards cover the enrollment and/or tuition fees for the recipient student for a period of up to six (6) months. Scholarship awards are renewable providing the recipient continues to meet the eligibility criteria and demonstrates positive progress in their selected musical program.

Scholarship recipients may choose any musical education provider subject to the following conditions:

The provider will accept direct payment from Give the Gift of Music Foundation on behalf of the recipient.

The provider will provide services for the recipient at a discounted rate of at least 10% from the rate advertised to the general public.

The provider delivers the same level of services to the recipient as provided to clients paying the full tuition rate.

The provider is a professional musician, composer, performer or musical educator whose primary occupation is musical performance, composition or instruction as evidenced by membership in or accreditation by one or more of the following:

National Guild for Community Arts Education

National Association of Schools of Music, or

The provider is included in a listing of Private Music Instructors published by one of the following Pennsylvania Public School Districts:

Great Valley

Phoenixville

Methacton

Pottsgrove

Norristown

Spring-Ford

North Penn

Tredyffrin-Easttown

Owen J Roberts

Upper Merion

Perkiomen Valley

The provider delivers a monthly summary report of the student's progress to Give the Gift of Music Foundation.

## **Ongoing Review**

Copies of the monthly progress report for each scholarship recipient are delivered to the Board of Directors by the Foundation Secretary. Progress reports

are considered acceptable unless a Board member reports their exception to the Secretary within 15 days of progress report receipt. In the event that 2 or more Board members report an exception to an individual recipient, the Secretary will convene a meeting of all Board members to conduct a formal review of the recipient.

## **Renewals**

Scholarship awards are made for a period of up to 6 months. 30 days before the expiration of any scholarship award, the Foundation Treasurer will assess the availability of Foundation resources and notify the Board of Directors if the scholarship award is renewable. Board members have 15 days to report an exception to the Foundation Secretary.

In the event that 2 or more Board members report an exception to a renewal proposal, the Secretary will convene a Review Meeting for the renewal proposal.

If no exception is reported to the Secretary within 15 days of the Treasurer's report, the Secretary will notify the Treasurer to renew the scholarship award.

## **Review Meetings**

The Secretary will schedule a Review Meeting with the Board of Directors within 15 days of the following:

- Exception notification by 2 or more Board Members to a monthly progress report

- Exception notification by 2 or more Board Members to the Treasurer's Renewal proposal.

- Notification of any of the following events involving the recipient:

  - Expulsion from School

  - Voluntary withdrawal from School

  - Arrest (excluding minor traffic or parking violations)

  - Incident report involving violence, theft, vandalism, drug or alcohol use

  - Violation of the rules or policies of the Foundation or the music education provider

The Board of Directors will consider the student's Progress report, Treasurer's report and any additional statements from teachers, music providers, school and public officials, parents or guardians of the recipient as well as the recipient in assessing the event(s) initiating the Review Meeting. The Board will decide a response which may include a temporary or permanent suspension or revocation of recipients scholarship. The decision becomes final upon a majority vote (51%) of the Board of Directors.

## **Conflicts of Interest**

### **Article I – Purpose**

The purpose of the conflict of interest policy is to protect the Give the Gift of Music Foundation's ("Organization") interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

### **Article II – Definitions**

#### **1. Interested Person**

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

#### **2. Financial Interest**

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

- a.** An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b.** A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement,  
or
- c.** A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

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

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

### **Article III – Procedures**

#### **1. Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose

all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

## **2. Determining Whether a Conflict of Interest Exists**

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

## **3. Procedures for Addressing the Conflict of Interest**

**a.** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

**b.** The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

**c.** After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

**d.** If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

## **4. Violations of the Conflicts of Interest Policy**

**a.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

**b.** If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## **Article IV – Records of Proceedings**

The minutes of the governing board and all committees with board delegated powers shall contain:

- a.** The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b.** The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

## **Article V – Compensation**

- a.** A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b.** A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c.** No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

## **Article VI – Annual Statements**

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a.** Has received a copy of the conflicts of interest policy,
- b.** Has read and understands the policy,
- c.** Has agreed to comply with the policy, and
- d.** Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

## **Article VII – Periodic Reviews**

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a.** Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b.** Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

## **Article VIII – Use of Outside Experts**

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.