

Fenton Free Library

Conflict of Interest

ADOPTED: 6/20/19

REVISED:

1. PURPOSE. To protect the interest of Fenton Free Library ("The Library") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of one of its officers, Trustees or staff.

This policy does not replace any applicable federal, state or local laws governing conflicts of interests applicable to nonprofit and charitable organizations.

2. DEFINITIONS.

a) Interest: direct or indirect pecuniary or material benefit accruing to a Trustee, employee, or his relative whether as a result of contract with Fenton Free Library or otherwise. An interest shall include but not be limited to:

The contract of a relative except as to a contract of employment with the Library;

A firm, partnership or association of which such Trustee or employee is a member or employee;

A corporation of which such Trustee or employee is a Trustee, director or employee;

A corporation of which more than five percent of the outstanding stock is owned by any such Trustee, employee, or his or her relative.

b) Trustee or employee: an elected or appointed officer or employee of the Library whether paid or unpaid.

c) Relative: spouse, child, stepchild, parent, stepparent, brother, sister, stepbrother, stepsister, or legal guardian of any of said persons of a Trustee or employee or of the spouse of the Trustee or employee.

3. DUTY TO DISCLOSE. In connection with actual or possible conflict of interest a Trustee or employee must disclose the existence and nature of his/her Interest and must provide all material facts to the Library Board or its designee;

4. DETERMINATION OF A CONFLICT OF INTEREST. The Board will review all disclosures and determination of a conflict of interest will be assessed after any discussion with the interested person.

a) He/she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon.

b) Remaining Board members shall decide if a conflict of interest exists.

5. ADDRESSING A CONFLICT OR POTENTIAL CONFLICT OF INTEREST.

a) Board President may appoint, if appropriate, a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

b) After due diligence, the Board shall determine whether the Library 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.

c) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, Board shall determine by a majority vote of the disinterested Trustees, whether the transaction or arrangement is in the Library's best interest, for its own benefit, and whether it is fair and reasonable.

d) In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

6. VIOLATION OF POLICY.

- a) If the Board has reasonable cause to believe a Trustee or employee 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 Trustee's or employee's response and after making further investigation as warranted by the circumstances, the Board determines if the member has failed to disclose an actual or possible conflict of interest.
- c) Appropriate disciplinary and corrective action follows.

7. STATEMENTS AND DOCUMENTATION.

- a) When beginning formal association with the Library, each Director, Trustee, staff member, and member of a committee with governing board-delegated powers shall sign a statement that affirms such person has:

Received a copy of the conflicts of interest policy; Read and understands the policy;

Agrees to comply with the policy; and

No association with persons or entities having transactions or arrangements with Library unless disclosed.

- b) At the commencement of each fiscal year, each Trustee and employee shall complete a disclosure questionnaire.

The Director will report to the Board on the results of the employee questionnaire.

The Board President will report on the results of the Board questionnaire.

Failure to follow policy or abide by established duties of a Trustee/Officer, as declared in the Library Mission Statement and By-Laws, may result in disciplinary action by the Board of Trustees which may include forced removal from office or the Board.

1. I have read, understand and agree to comply with the Library's Conflict of Interest Policy. I agree to disclose any financial interest, in any transactions or arrangements the Library may enter into, on an annual basis or more frequently if necessary.

2. I certify that I have no association with persons or entities having transactions or arrangements with Library during the past year other than those listed below. If an actual or possible conflict of interest arises, I agree to disclose that relationship immediately.

3. Listing of Associations (if applicable):

Signature

Date

Printed Name Position (Trustee, Officer, or Director)