



CONFLICT OF INTEREST

Obligations of Trustees and Employees

Trustees and employees of the library have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest.

What Constitutes Conflict of Interest

An actual or potential conflict of interest occurs when an employee or trustee is in a position to influence a decision that may result in a personal gain for the employee or trustee or for a family member as a result of the library's business dealings. For the purposes of this policy, a trustee, employee, or family member has an interest in a proposed transaction if, but not limited to:

He/she has a financial interest in the transaction;

He/she has a financial interest in any organization involved in the proposed transaction;

He/she holds a position as trustee, director, or principal officer in any such organization;
or

He/she receives any indirect remuneration or gifts or favors.

Duty to Disclose

If an employee or trustee has any influence on transactions involving purchases, contracts, or leases from which he/she may gain financially in a material amount, he/she has a duty to disclose in writing to the President or Secretary of the Board of Trustees, the existence of any actual or potential conflict of interest.

Determining Whether a Conflict of Interest Exists

A prospective trustee or employee shall complete an application which requests information regarding potential conflicts of interest. If the applicant responds in the affirmative, the Board shall be notified by the Library Director prior to appointment.

After disclosure by a current trustee or employee of a potential conflict of interest, the interested person shall leave the board meeting. The person shall not vote, nor participate in the final decision or related deliberation regarding the potential conflict of interest. The remaining disinterested board members shall determine by a majority vote if a conflict of interest exists and what action shall be taken.

Procedures for Addressing the Conflict of Interest

If it is decided that a conflict of interest exists, the Board shall determine by a majority vote of the disinterested trustees whether the transaction is in the library's best interest and is fair and reasonable to the library. If the Board determines that the transaction is not in the library's best interest, members of the Board will explore an alternative arrangement which would not give rise to a conflict of interest.

Record of Conflict

The official minutes of the Board of Trustees shall reflect that the conflict of interest was disclosed and the interested person(s) did not participate in the final discussion or vote, and did not vote on the matter.

Violations of the Conflicts of Interest Policy

If the Board has reasonable cause to believe that a trustee or employee has failed to disclose actual or possible conflicts of interest, the person will be informed and allowed an opportunity to explain the alleged failure to disclose. In the event that the Board determines a conflict of interest exists, a majority vote of disinterested trustees shall determine the ramifications of the policy violation.

Annual Statements

Each trustee and employee shall annually sign a statement which affirms that such person has received a copy of the conflict of interest policy, has read the policy and has agreed to comply with the policy. Such statement shall include the disclosure of any potential conflict of interest and shall be returned to the Secretary of the Board of Trustees. The Secretary shall provide a copy of all completed statements to the Board President.

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