

Conflict of Interest

Members of the Seneca Falls Library Board of Trustees and the library's employees are expected to represent the library in a positive and ethical manner and have an obligation both to avoid conflicts of interest, and/or the appearance of conflicts of interest.

Possible conflicts of interest should be disclosed prior to the election to the Board of Trustees or at hire through completion of a Code of Ethics/Conflict of Interest Disclosure Statement, as attached to this policy, and annually thereafter.

All trustees shall complete a new statement each year within 30 days of the annual meeting. If a conflict or potential conflict should arise during a trustee's term, a statement should be completed or updated and filed immediately with the board secretary and the Audit Committee. If a conflict should arise for an employee, the form should be completed and filed with the Library Director.

All trustees and employees should avoid any situation involving a conflict between their personal interest and the library's interest. Outside business interests should not compromise your commitment to the library.

Potential conflicts that should be promptly and fully disclosed include:

- Ownership by members of the Board of Trustees, or a member of the trustee's immediate family or an employee of a significant financial interest in a business enterprise that does business with, seeks to do business with the library.
- Participation by members of the Board of Trustees or employees as a director, officer, consultant, or in any other key role in an outside enterprise that does or seeks to do business with the library.
- A close family relationship with any person who is employed directly by the library, or whose position is in an outside enterprise that does or seeks to do business with the library.

At the beginning of each board meeting, trustees will be asked if there are any conflicts of interest with any items on the agenda.

Once a possible conflict has been declared, if the Policy and Ethics Committee of the board confirms that the possible conflict causes a concern under this Policy, the member or employee with the conflict should not be present at or participate in board or committee deliberation or vote on the matter giving rise to such conflict; however, this does not prohibit the board or a committee from requesting that the person with the conflict of interest present information as background or answer questions at a committee or board meeting prior to the commencement of deliberations or voting relating thereto.

In no event shall the person with the conflict attempt to influence improperly the deliberation or voting on the matter giving rise to such conflict.

SENECA FALLS LIBRARY POLICY MANUAL

Once the existence and resolution of a conflict has been determined, both must be documented by a) retaining the disclosure form, and b) including in the minutes of any meeting at which the conflict was discussed or voted upon a note as to the final resolution of the matter.

Any trustee may invoke this policy during a discussion and ask for a ruling from the Policy and Ethics Committee on whether a board member should not participate in discussion of a particular topic as a result of a declared or an undeclared conflict of interest.

Bar on Related Party Transactions

The library shall not enter into any "Related Party Transaction unless the transaction is determined by the board, or an authorized committee thereof, to be fair, reasonable and in the corporation's best interest at the time of such determination. Any director, officer or key person who has an interest in a related party transaction shall disclose in good faith to the board, or an authorized committee thereof, the material facts concerning such interest.

A "Related party transaction" means any transaction, agreement or any other arrangement in which a related party has a financial interest and in which the corporation or any affiliate of the corporation is a participant, except that a transaction shall not be a related party transaction if: (i) the transaction or the related party's financial interest in the transaction is de minimis, (ii) the transaction would not customarily be reviewed by the board or boards of similar organizations in the ordinary course of business and is available to others on the same or similar terms, or (iii) the transaction constitutes a benefit provided to a related party solely as a member of a class of the beneficiaries that the corporation intends to benefit as part of the accomplishment of its mission which benefit is available to all similarly situated members of the same class on the same terms.

"Related party" means (i) any director, officer or key person of the library or any affiliate of the library; (ii) any relative of any individual described in clause (i) of this subparagraph; or (iii) any entity in which any individual described in clauses (i) and (ii) of this subparagraph has a thirty-five percent or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five percent.

History:

Approved by the Board of Trustees July 14, 2014

Revised and Related Parties section added, January 20, 2020