

Roeliff Jansen Community Library Conflicts of Interest Policy and Procedures

Purpose

The purpose of the Conflicts of Interest Policy is to protect the Roeliff Jansen Community Library's interest when it is contemplating entering into a transaction or other arrangement that might benefit the private interests of a board officer, a trustee or staff member of the Roeliff Jansen Community Library (RJCL. As a 501(c)(3) organization, RJCL has a special obligation to uphold the public trust and is committed to acting with integrity and fairness in all of its operations. To this end, this Policy is intended to ensure that RLCL's actions do not result in or have the appearance of providing financial or beneficial advantage directly or indirectly to a person holding a position of responsibility such as a board officer, trustee or staff member, on behalf of the RJCL.

This Policy is intended to supplement but not replace any state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Policy Statement

Board officers, trustees and staff members have a Duty of Loyalty toward RJCL which requires that they exercise their powers in the interest of RJCL and not in their own interest or the interest of another entity or person. With regard to any corporate activity, the best interests of RJCL must prevail over the individual's interests.

Board officers, trustees and staff members may have interests in conflict with those of RJCL. Conflicts of interest are not inherently illegal or unethical. It is the manner in which the Board deals with a disclosed conflict that determines the propriety of the transaction. This policy statement is intended to guide the Board of Trustees in resolving conflicts in a legal and ethical manner.

Definitions

Board

Refers to the Board of Trustees, the governing body of RJCL.

Interested person

Any board officer, trustee or staff member who has a direct or indirect financial interest as defined below.

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 an entity with which RJCL has a transaction or other arrangement,
- b. A compensation arrangement with RJCL or with an entity or individual with which RJCL has a transaction or
- c. A potential ownership or investment interest in, or compensation arrangement with any entity or individual with which RJCL is negotiating a transaction or other arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board decides that a conflict of interest exists.

Procedures

1. Duty of disclosure

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 Board to consider the proposed transaction or other arrangement.

2. Determining whether a Conflict of Interest Exists

After disclosure of the financial interest and any material facts and after any discussion with the interested person, the interested person shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The board 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 Board meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The Board Chair may appoint a disinterested person or committee to investigate alternatives to the proposed transaction or other arrangement.
- c. After exercising due diligence, the Board shall determine if RJCL can obtain with reasonable efforts a more advantageous transaction or other arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or other arrangement is not reasonably possible under circumstances not producing a conflict of interest the Board shall determine through a vote of the disinterested trustees whether the transaction or arrangement is in RJCL'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 other arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the Board has reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest, it shall inform such interested person of the basis for such belief and afford such interested person an opportunity to explain alleged failure to disclose.
- b. If, after hearing the interested person's response and after making further investigation as warranted by the circumstances, the Board determines the interested person has failed to disclose an actual or possible conflict of interest it shall take appropriate disciplinary and corrective action.

Records of Proceedings

The minutes of the Board 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 board's decision as to whether a conflict of interest 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.

Conflicts of Interests Disclosure Form

Each board officer, trustee and staff member shall upon commencement of his/her office and on or about December 1 in each year thereafter sign a disclosure form that affirms that he/she:

- 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 that RJCL is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purpose.

Roeliff Jansen Community Library Conflicts of Interest Disclosure Form

Date: _____ Name: _____

A conflict of interest, or an appearance of a conflict, can arise whenever a transaction, or another arrangement, of Roeliff Jansen Community Library conflicts with the personal interests, financial or otherwise, of a board officer, trustee, or family member of a board officer or trustee, or staff member.

Please describe below any relationships, transactions, other arrangements or positions you hold (volunteer or otherwise), or circumstances that you believe could create a conflict of interest between Roeliff Jansen Community Library and your personal interests, financial or otherwise:

____ I have no conflicts of interest or potential conflicts of interest to report.

I have the following conflicts of interest, or potential conflicts of interest, to report:

1.

2.

3.

I have reviewed Roeliff Jansen’s Conflicts of Interest Policy and I understand that it is my obligation to disclose a conflict of interest, or appearance of a conflict, to the Board when a conflict, or appearance of a conflict, arises, and that for transactions in which I have a conflict, I will abstain from any vote on the matter involving the conflict.

Signature: _____

Date: _____