

Spring Township Library Conflicts of Interest Policy

It is in the best interest of Spring Township Library Association (the “Association”) to be aware of and properly manage all conflicts of interest and appearances of a conflict of interest. This conflict of interest policy is designed to help directors, officers, employees and volunteers of the Association identify situations that present potential conflicts of interest and to provide the Association with a procedure to appropriately manage conflicts in accordance with legal requirements and the goals of accountability and transparency in the Association’s operations.

1. Conflict of Interest Defined. In this policy, a person with a conflict of interest is referred to as an “Interested Person.” For purposes of this policy, the following circumstances shall be deemed to create a Conflict of Interest.
 - a. A director, officer, employee or volunteer, including a board member (or family member of any of the foregoing) is part to a contract, or involved in a transaction with the Association for goods or services.
 - b. A director, officer, employee or volunteer, (or a family member of any of the foregoing) has a material financial interest in a transaction between the Association and an entity in which the director, officer, employee or volunteer, or a family member of the foregoing, is a director, officer, agent, partner, associate, employee, trustee, personal representative, receiver, guardian, custodian, or other legal representative.
 - c. A director, officer, employee or volunteer, (or a family member of the foregoing) is engaged in some capacity or has a material financial interest in a business or enterprise that competes with the Association.

Gifts, Gratuities and Entertainment. Accepting gifts, entertainment or other favors from individuals or entities can also result in a conflict or duality of interest when the party providing the gift/entertainment/favor does so under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Interested Person in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value which are not related to any particular transaction or activity of the Association.

2. Definitions.

- a. A "Conflict of Interest" is any circumstance described in Part 1 of this policy.
- b. An "Interested Person" is any person serving as an officer, employee or member of the Board of Directors of the Association or a major donor to the Association or anyone else who is in a position of control over the Association who has a personal interest that is in conflict with the interests of the Association.
- c. A "Family Member" is a spouse, parent, child or spouse of a child, brother, sister or spouse of a brother or sister, of an Interested Person.
- d. A "Material Financial Interest" in an entity is a financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect an Interested Person's or Family Members' judgment with respect to transactions to which the entity is a party.
- e. A "Contract or Transaction" is any agreement or relationship involving the sale or purchase of goods or services, the providing or receipt of a loan or grant, the establishment of any other type of financial relationship, or the exercise of control over another organization. The making of a gift to the Association is not a Contract or Transaction.

3. Procedures.

- a. Prior to board or committee action on a Contract or Transaction involving a Conflict of Interest, a director or committee member having a Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting. If board members are aware that staff or other volunteers have a conflict of interest, relevant facts should be disclosed by the board member or by the Interested Person him/herself if invited to the board meeting as a guest for the purposes of disclosure.
- b. A director or committee member who plans not to attend a meeting at which he or she has reason to believe that the board or committee will act on a matter in which the person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The chair shall report the disclosure at

the meeting and the disclosure shall be reflected in the minutes of the meeting.

- c. A person who has a Conflict of Interest shall not participate in or be permitted to hear the board's or committee's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- d. A person who has a Conflict of Interest with respect to a Contract or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The person having a conflict of interest may not vote on the Contract or Transaction. Such person's ineligibility to vote shall be reflected in the minutes of the meeting. For purposes of this paragraph, a member of the Board of Directors of the Association has a Conflict of Interest when he or she stands for election as an officer or for re-election as a member of the Board of Directors.
- e. Interested Persons who are not members of the Board of Directors of the Association, or who have a Conflict of Interest with respect to a Contract or Transaction that is not the subject of the Board or committee action, shall disclose to their supervisor, or the Chair or the Chair's designee any Conflict of Interest that such Interested Person has with respect to a Contract or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Interested Person. The Interested Person shall refrain from any action that may affect the Association's participation in such Contract or Transaction.

In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to his or her supervisor or the Chair or the Chair's designee, who shall determine whether full board discussion is warranted or whether there exists a Conflict of Interest that is subject to this policy.

4. Conflict with Applicable Law.

In the event that any part of this policy shall contravene any law applicable to the Association, such portion of this policy shall be null, void and of no effect.

5. Review of Policy.

- a. Each director, officer, employee and volunteer shall be provided with and required to review a copy of this policy and to acknowledge in writing that he or she has done so.
- b. Annually each director, officer, employee and volunteer shall complete a disclosure form identifying any relationships, positions or circumstances in which s/he is involved that he or she believes could contribute to a Conflict of Interest. Such relationships, positions or circumstances might include service as a director of or consultant to another nonprofit organization, or ownership of a business that might provide goods or services to the Association.
- c. This policy shall be reviewed annually by each member of the Board of Directors. Any changes to the policy shall be communicated to all staff and volunteers.

Basic Conflict of Interest Disclosure Form

Date: _____

Name: _____

Position (employee/volunteer/trustee): _____

Please describe below any relationships, transactions, positions you hold (volunteer or otherwise), or circumstances that you believe could contribute to a conflict of interest between the Association and your personal interests, financial or otherwise.

_____ I have no conflict of interest to report

_____ I have the following conflict of interest to report (please specify other nonprofit and for-profit boards you (and your spouse) sit on, any for-profit businesses for which you or an immediate family member are an officer, director, or a majority shareholder, and the name of your employer and any businesses you or a family member own):

1. _____

2. _____

3. _____

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, and agree to abide by, the Policy of Conflict of Interest of the Association.

Signature: _____

Date: _____