



CONFLICT OF INTEREST POLICY

Need for this policy: To establish guidelines to ensure good faith and public trust and to comply with the Nonprofit Revitalization Act as set forth by the State Education Department to be effective 7/1/2014. Additionally procedures for disclosing, addressing and documenting transactions shall be in accordance with NPCL §715.

Procedure:

1. Purpose:

The Town of Esopus Library is a non-profit, tax-exempt organization. Maintenance of its tax-exempt status is important for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of the Town of Esopus Library as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public.

Consequently, there exists between the Town of Esopus Library and its board, officers, and management employees and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity. The board, officers, and management employees have the responsibility of administering the affairs of the Town of Esopus Library honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of the Library. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the Library or knowledge gained there from for their personal benefit. The interest of the organization must be the first priority in all decisions and actions.

2. Persons Concerned: This statement is directed not only to directors and officers, but to all employees who can influence the actions of the Town of Esopus Library. For example, this would include all who make purchase decisions, all persons who might be described as "management personnel," and anyone who has proprietary information concerning the Library.

3. Areas In Which Conflict May Arise:

Conflicts of interest may arise in the relations of directors, officers, and management employees with any of the following third parties:

1. Persons and firms supplying goods and services
2. Persons and firms from whom the Library leases property and equipment
3. Persons and firms with whom the Library is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations
5. Donors and others supporting the Library
6. Agencies, organizations, and associations which affect the operations of the Library
7. Family members, friends and other employees

4. Nature of Conflicting Interest:

A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 3. Such an interest might arise through:



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1. Owning stock or holding debt or other proprietary interests in any third party dealing with the Library.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with the Library
3. Receiving remuneration for services with respect to individual transactions involving the Library
4. Using the Library's time, personnel, equipment, supplies, or good will for other than Library approved activities, programs, and purposes
5. Receiving personal gifts or loans from third parties dealing or competing with the Library. Receipt of any gift is disapproved except gifts of a value less than \$50, which could not be refused without discourtesy. No personal gift of money should ever be accepted.

5. Interpretation of this Statement and Policy:

The areas of conflicting interest listed in Section 3, and the relations in those areas which may give rise to conflict, as listed in Section 4, are not exhaustive. Conflicts may arise in other areas or through other relations. It is assumed that the directors, officers, and management employees will recognize such areas and relation by analogy.

The fact that one of the interests described in Section 4 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if materials, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of the Town of Esopus Library.

However, it is the policy of the board that the existence of any of the interests described in Section 4 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the board, officers, and management employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

6. Disclosure Policy and Procedure:

Transactions with parties with whom a conflicting interest may exist may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. The person with the conflict of interest is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists; and
4. The board or a duly constituted committee thereof has determined that the transaction is in the best interest of the organization.

Disclosure in the organization should be made to the Director (or if he/she is the one with the conflict, then to the Governance and Personnel Board chair), who shall bring the matter to the attention of the board or duly constituted committee thereof. The existence and resolution of the conflict shall be documented in the Library records and included in any minutes of any meeting held in which the conflict was discussed and/or voted upon.

The board or duly constituted committee thereof shall determine whether a conflict exists and in the case of existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to the Town of Esopus Library. The decision of the board or duly constituted committee thereof on these matters will rest in their sole discretion, and their concern must be the welfare of the Town of Esopus Library and the advancement of its purpose.



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Responsibilities: It shall be the responsibility of the Director to ensure that all staff (including the Director and volunteers) comply with the above.

Adopted by the Board of Trustees: August 25, 2010

Revised by the Board of Trustees: November 20, 2013

Revised by the Board of Trustees: September 24, 2014

Revised by the Board of Trustees: May 5, 2015