

## The Field Library Conflict of Interest Policy

### Article I -- Purpose

1. The purpose of this conflict of interest policy is to protect the Library's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of a covered person or might result in a possible excess benefit transaction.
2. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

### Article II -- Definitions

1. Covered Person: any member of The Field Library Board of Trustees and any employee of The Field Library.
2. Interested person: any member of The Field Library Board of Trustees and any employee of The Field Library who has a direct or indirect financial interest.
3. Financial interest: a covered person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
  - a. An ownership or investment interest in any entity with which The Field Library has a transaction or arrangement;
  - b. A compensation arrangement with the Library or with any entity or individual with which the Library has a transaction or arrangement; (Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial).
  - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which The Field Library is negotiating a transaction or arrangement.

### Article III -- Procedures

1. Duty to Disclose: 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 Field Library Board of Trustees or the Library Director.
2. Recusal of Self: Any covered person may recuse at any time from involvement in any decision or discussion in which the covered person believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.
3. Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the Library Board or Director, the covered person shall leave the meeting while the determination of a conflict of interest is discussed and voted upon. The remaining members shall decide if a conflict of interest exists.
4. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at a Library Board meeting, but after the presentation, the interested person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The Field Library Board President shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the Library Board shall determine whether the Library can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Library Board shall determine by a majority vote of the disinterested members whether the transaction or arrangement is in the Library's best interest, for its own benefit, and whether it is fair and reasonable. Pursuant to that determination, the party seeking the determination shall be free to enter into the proposed arrangement or transaction.

#### 5. Violations of the Conflicts of Interest Policy

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

#### Article IV – Records of Proceedings

The minutes of the Board and all committees with board delegated powers 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; (b) the nature of the financial interest; (c) any action taken to determine whether a conflict of interest was present; (d) the Board's decision as to whether a conflict of interest in fact existed; (e) the names of the persons who were present for discussions and votes relating to the transaction or arrangement; (f) the content of the discussion, including any alternatives to the proposed transaction or arrangement; and (g) a record of any votes taken in connection with the proceedings.

#### Article V – Compensation

A covered or interested person who receives compensation, directly or indirectly, from the Field Library is precluded from voting on matters pertaining to the compensation.

#### Article VI –Statements

Each covered person shall sign a statement which affirms they have received a copy of this policy, has read and understands this policy, and if at any time during the year the information in the statement changes materially, the covered person shall disclose such changes and revise the disclosure form.

*Approved by the Board of Trustees 11/13/14*