



ADMINISTRATIVE REGULATIONS

TAB: Governance

DOCUMENT NUMBER: ARM 10-50-40

SECTION: Library Board of Directors

SUBJECT: CONFLICTS OF INTEREST POLICY AND DISCLOSURE FORM FOR MEMBERS OF THE BOARD OF DIRECTORS OF THE JOHNSON COUNTY LIBRARY

SUMMARY

This document describes the Conflicts of Interest Policy applicable to all members of the Board of Directors of the Johnson County Library and the Conflicts of Interest Statement and Disclosure Form to be completed by them annually.

Review Date:

August 2, 2016
November 8, 2018
October 22, 2020
February 11, 2021

ADOPTION OF CONFLICTS OF INTEREST POLICY AND DISCLOSURE FORM FOR LIBRARY BOARD MEMBERS

Members of the Board of Directors of the Johnson County Library shall be subject to, and comply with the terms of, the Conflicts of Interest Policy set forth on the following pages. In addition, members of the Library Board shall annually complete a Conflicts of Interest Statement and Disclosure Form, a copy of which follows, and is incorporated by reference in the Policy.

February 11, 2021

ARM 10-50-40

BOARD OF DIRECTORS OF THE JOHNSON COUNTY LIBRARY
Conflicts of Interest Policy for Members of the Board of Directors

This policy is applicable to members of the Board of Directors of the Johnson County Library (Library Board).

A conflict of interest arises whenever a Director or a member of the Director's family: (1) has an existing or potential interest that impairs or might appear to impair the Director's independent judgment in the discharge of responsibilities to the Library Board, or (2) may receive a material benefit from knowledge of information that is confidential to the Library Board. The family of an individual includes the Director's spouse, parents and children.

Directors have a clear fiduciary obligation to the Library Board in connection with their service in such capacities. At all times they shall act in a manner consistent with this fiduciary obligation and shall exercise particular care that no detriment to the interests of the Library Board (or appearance of such detriment) may result from a conflict between those interests and any personal interests that Director may have.

Procedure

1. Annual Written Disclosure. Directors shall annually complete a Conflicts of Interest Statement and Disclosure Form, a copy of which follows this Policy and is incorporated herein by reference. On that form, the Director will be asked to (1) confirm that the Director has read this Conflicts of Interest Policy and agrees to comply with the policy; (2) disclose any conflicts of interest of which the Director currently has knowledge; (3) list all nonprofit boards on which the Director serves and (4) list all for-profit business entities in which the Director has a material financial interest or acts in a fiduciary, policy-making or executive managerial capacity. "Material Financial Interest" shall not include the ownership of shares in a publicly held corporation. The statement shall disclose as fully as possible the nature of any conflicts and the nature of the Director's interest in the transactions. Each Director shall agree to answer any questions about conflicts. Directors shall update this information during the year by informing the Library Board Chair and County Librarian of any new relationships that develop.
2. Verbal Disclosure. Directors shall immediately disclose any actual or perceived conflict when discussing a transaction grant that poses an actual or perceived conflict of interest. The Director shall specifically disclose the material facts as to
 - a. the Director's relationship or interest with the other party to the transaction and
 - b. the grant, contract, or transaction under consideration.
3. Discussion Participation. The Director with the actual or perceived conflict should not be involved further in the analysis, discussion or decision-making process, unless such person has a relevant and unique experience or perspective and the person present in the greatest position of authority for the Library Board (i.e. Chair of the Board, Committee Chair) asks such person for that person's information. Other Directors may also ask questions about the potential conflict.
4. Physical Presence. In order not to inhibit discussion, when practical, the Director with the actual or perceived conflict should physically leave the area in which the discussion is occurring.
5. Voting. The Director with the actual or perceived conflict shall abstain from voting on the matter. In particular, the Director shall abstain from voting when:

- a. The Library Board is considering a business transaction with an organization in which such Director or a member of the Director's family acts in a fiduciary, policy-making or executive managerial capacity or has a material financial interest.
6. Written record. The minutes of the meeting shall contain, when applicable:
- a. The names of the Directors who disclosed or otherwise were found to have a conflict of interest and any discussion or decision regarding such conflict; and
 - b. The names of the persons who were present for discussion and votes relating to the transaction or arrangement, the fact that the Director with the conflict abstained from the vote and discussion, the content of the discussion, and a record of any votes taken in connection therewith.

Confidentiality

All information concerning actual or potential conflicts of interest on the part of Directors shall be held in confidence unless the best interests of the Library Board dictate otherwise. Any disclosure beyond the Board of Directors and the Chair and County Librarian shall take place only upon majority vote of the Board of Directors.

Board of Directors of the Johnson County Library
Conflicts of Interest Statement and Disclosure Form

I have read the Library Board's Conflicts of Interest Policy and I agree to abide by the policy. I will immediately notify the Chair and the County Librarian of any conflict, real or perceived, and make full disclosure thereof. I agree to answer any questions that management or the board may have with respect to any actual or perceived conflict of interest, but I understand that all such information will be held in confidence unless the best interests of the Library Board dictate otherwise and a majority of the members of the Board votes in favor of disclosure.

I hereby make the following disclosures regarding any potential conflicts of interest. If none are listed, then I am not aware of any potential conflicts of interest and have signed this document to certify this position.

Grants

List of Nonprofit Boards of the Director:

I act in a fiduciary, policy-making or executive managerial capacity with the following nonprofit organization(s):

Other Known Nonprofit Conflicts:

One of my family members (spouse, parents and children) acts in a fiduciary, policy-making or executive managerial capacity with the following organization(s) that I know is currently seeking a business relationship with the Library Board:

Organization

Person

Role

Business Transactions

List of For-Profit Business Relationships of the Director:

I have a material financial interest or act in a fiduciary, policy-making or executive managerial capacity in the following for-profit organization(s) ("Material Financial Interest" shall not include the ownership of shares in a publicly held corporation.):

Other Known For-Profit Conflicts:

One of my family members (spouse, parents and children) has a material financial interest or acts in a fiduciary, policy-making or executive managerial capacity in the following organization(s) that I currently know has or may be seeking a business relationship with the Library Board.

Organization

Person

Role

Date

Signature