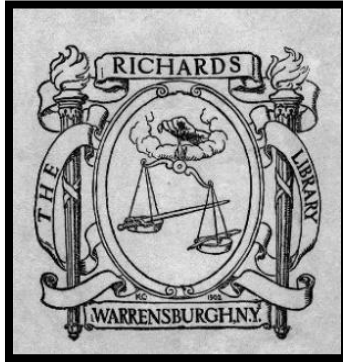


The Richards Library Policies



Conflict of Interest

The following are rules and regulations of The Board of Trustees of The Richards Library. These are effective September 1, 2014 and will be reviewed bi-annually.

Article I

The Richards Library Conflict of Interest Policy is to protect the interests of The Richards Library. This policy is to ensure that The Richards Library Board of Trustees, Director, and Employees act in the best interest of The Richards Library and comply with any applicable legal requirements. This Policy is intended to supplement, but not replace, any applicable state laws governing conflict of interest.

Article II

Definitions:

1. Board of Trustees. The “Board of Trustees” is the body responsible for the management of The Richards Library.
2. Compensation. “Compensation” shall include direct and indirect remuneration as well as gifts, or favors that are not insubstantial.
3. Trustee. A “Trustee” is a member of the Board of Trustees of The Richards Library.

4. Financial Interest. A person has a “financial interest” if the person has directly or indirectly, through business, investment, family, or Related Party:
 - a. A compensation arrangement with The Richards Library or with any entity or individual which The Richards Library has a transaction or arrangement; or
 - b. A potential ownership or investment interest in or compensation arrangement with, any entity or individual with which The Richards Library is negotiating a transaction or arrangement;
 - c. A financial interest is not necessarily a conflict of interest. Under Article IV, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists;
5. Employee. An “Employee” shall mean any person who is, or has within the past five (5) years, been in a position to exercise substantial influence over the affairs of The Richards Library. This includes any person who holds any of the following position or positions with comparable powers, responsibilities, or interests:
 - a. Director;
 - b. Staff Member (full time, part time, or per diem).
6. Related Party. “Related Party Transaction” shall mean:
 - a. any Trustee, Director, or Employee of The Richards Library;
 - b. any relative of a Trustee, Director, or Employee of The Richards Library.
7. Related Party Transaction. A “Related Party Transaction” shall mean any transaction, agreement, or any other arrangement in which a Related Party has a financial interest and in which The Richards Library is a participant.
8. Relative. A “Relative” of an individual shall mean their:
 - a. spouse, brothers, and sisters (whether whole or half) children (whether natural or adopted) grandchildren, great-grandchildren, and spouses of siblings, children, grandchildren and great-grandchildren; or
 - b. domestic partner as defined in New York Public Health Law 2994-A.

Article III

Circumstances Constituting Conflict(s) of Interest

A Related Party Transaction is not necessarily a prohibited transaction. Under this Policy, if The Richards Library contemplates entering into a Related Party Transaction, the Board of Trustees, without participation of the Related Party, must determine if the transaction is fair, reasonable and in the best interests of The Richards Library at the time of such determination. The Richards Library shall not enter into any Related Party Transaction unless the transaction is determined by the Board of Trustees to be fair, reasonable and in The Richards Library’s best interest at the time of such determination. The New York State Attorney General holds the rights to bring an action to enjoin, void, or rescind Related Party Transactions that violate relevant law or are otherwise not reasonable or in the best interest of The Richards Library at the time of the transaction was approved.

Any Trustee, Director, or Employee who has or acquires an interest in a Related Party Transaction shall promptly disclose, in good faith and in writing, to the Board of Trustees and /or The Richards Library Director the material facts concerning such interest. If disclosed to the Director, the Director shall refer the matter to the Board of Trustees for a review and determination in accordance with the procedures set forth in Article IV of this Policy.

Article IV
Procedures

1. Duty to Disclose. In connection with any actual or possible conflict of interest, a Related Party must disclose the existence of their financial interest and be given the opportunity to disclose, in writing, all material facts to the Board of Trustees or Director. In the event such written disclosure is made to the Director, such written disclosure shall be promptly forwarded to the Board of Trustees for consideration.
2. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the Related Party, the Related Party shall leave the meeting of the Board of Trustees while the determination of a conflict of interest is discussed and voted upon. The Disinterested Members of the Board of Trustees shall decide if a conflict of interest exists. The Related Party may not be present at, or participate in the deliberation or vote on the Board of Trustees on the matter-giving rise to the potential conflict, and the Related Party is prohibited from improperly influencing the deliberation or voting on the matter.
3. Procedures for Addressing a Conflict of Interest.
 - a. If a conflict is determined to exist, a Related Party may make a presentation at the meeting of the Board of Trustees, but after the presentation, they shall recuse themselves from the discussion and vote on the transaction or arrangement involving the possible conflict of interest.
 - b. The Board of Trustees may, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement and thereafter report the results of such investigation to the Board of Trustees.
 - c. After exercising due diligence, the Board of Trustees shall determine whether The Richards Library can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would give rise to a conflict of interest.
4. Violations of the Conflicts of Interest Policy.
 - a. If the Board of Trustees has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity or 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 corrective action.

Article V
Statements

1. Each Trustee, Director, and Employee shall sign upon term of office, employment, or adoption of this policy a statement, which affirms such person:
 - a. has received a copy of the Conflict of Interest Policy;
 - b. has read and understands the Policy; and

- c. has agreed to comply with the Policy.
- 2. The Secretary of the Board of Trustees shall hold on file the statements to the President of the Board of Trustees and shall maintain the original documents in the business records of The Richards Library.

**Adopted by the Board of Trustees September 1, 2014
Reviewed, Reformatted, Approved and Adopted 9 March 2021**