



Gloversville Public Library
Meeting of the Board of Trustees
March 17, 2015
6:30pm
Gloversville Public Library

Pledge to the Flag
Public Comment

1. Accept minutes of February 2015 meeting
2. Treasurer's Report
3. Budget and Finance
Warrant
4. Friends
5. Building and Grounds
6. AD HOC Steering Committee
7. AD HOC Policy
Conflicts of Interest
8. Personnel Committee
9. Program Committee
10. PR Committee
11. Director's Report
12. President's Report
13. Foundation
14. Old Business
Trustee openings
15. New Business
16. Adjourn

Next Meeting: April 21, 2015



Draft Minutes of the Gloversville Public Library Board of Trustees Meeting

February 17, 2015

The Gloversville Public Library Board of Trustees held a meeting on February 17, 2015 in the Reading Room at the Library, 58 E. Fulton Street, Gloversville, New York at 6:30 P.M

The following trustees were present: Robin Lair, Craig Clark, Elizabeth Batchelor, Christine Pesses, David Fisher and Merry Dunn Brown. Michael J. Frank, Treasurer and Recording Secretary, Barbara J. Madonna, Director of the Gloversville Public Library and John Blackmon, Claims Auditor for the Gloversville Public Library, also attended the meeting. Jay Ephraim, Vincent De Santis and James McGuire were excused from the meeting.

Mr. Fisher, President of the Board of Trustees, opened the meeting by leading the Trustees in the Pledge of Allegiance.

Mr. Fisher asked if there was anything anyone from the public wished to present at this time. Hearing nothing, the regular meeting was convened.

Mr. Fisher asked the Trustees to review the minutes of the Regular Meeting of the Trustees held on January 20, 2015. Mr. Fisher asked if there were any corrections or additions to the minutes of the meeting as presented. Ms. Dunn Brown said that she and Mr. McGuire had attended the Trustee training meeting not Mr. De Santis. This correction was duly noted to be corrected. Mr. Clark made a motion, seconded by Ms. Batchelor, to approve the minutes as presented with the correction noted. This motion was approved all voting aye.

Mr. Fisher asked Mr. Frank to review the Treasurer's Report for the month of January 2015 and the fiscal year-to-date period ending January 31, 2015 with the Trustees. Mr. Frank informed the Trustees that our fiscal year-to-date income through January 31, 2015 is up approximately \$14,100 from the same period of last year due primarily to the higher Tax Levy this year and higher Interest and Dividends received from the Foundation this year. Expenses this year are up approximately \$16,000 from the prior year due primarily to higher pension expense, higher medical insurance and reimbursements, higher computer and automation services and higher professional fees. These expenses have been partially offset by lower library supplies due to a new copier purchased last year and lower maintenance and repairs. Mr. Frank asked if there were any questions or comments on the financials for the month of January 2015 or the year-to-date period ended January 31, 2015. Hearing none, Ms. Dunn Brown made a motion, seconded by Mrs. Pesses, to accept the Treasurer's Report as presented. This was approved all voting aye.

Mr. Frank distributed the Warrants list for February 2015 numbered 191 through 212 which was audited by John Blackmon our Claims Auditor. Mr. Blackmon found all claims to be legitimate claims for monies due from the Gloversville Public Library and recommended payment of same. Mrs. Pesses made a motion, seconded by Ms. Batchelor, to have Mr. Frank our Treasurer prepare checks for payment of these claims. This was approved all voting aye.

Mr. Clark informed the Trustees that a meeting of the Finance Committee was held prior to the Trustee's meeting to review the most recent version of the 2015-2016 Budget. The Finance Committee recommends an expenditure budget of \$517,276 for the 2015-2016 Budget year which includes a raise of \$.50 per hour for the employees and a salary increase for Ms. Madonna of \$2,000 effective July 1, 2015. The budget also includes a Tax Levy of \$276,321 which is subject to voter approval in May 2015. This Levy would keep us in compliance with the property tax cap for this coming year. Mrs. Pesses made a motion, seconded by Mrs. Lair, to approve the budget for the 2015-2016 fiscal year including a tax levy of \$276,321 to be put before the voters of the Gloversville Enlarged School District on May 5, 2015 for their approval. This was approved all voting aye.

Mr. Fisher informed the Trustees that there was no report from the Friends. Ms. Madonna informed the Trustees that the Friends are not planning a Prince and Princess program this year but are planning a fundraising walk for some time in September.

Ms. Madonna informed the Trustees that a seal was leaking on the boiler and that our custodian was adding water regularly to keep everyone warm. Mormile is concerned about trying to replace it as it may cause other problems with the heating system. Mr. Fisher informed the Trustees that he will check to see if we can get rid of some of the accumulated snow from the end of our parking lot which is taking up several parking spaces.

Barbara Madonna
Library Director

2014-2015
Board of Trustees

Elizabeth Batchelor

Craig Clark

Vince DeSantis

Jay Ephraim

David Fisher

Robin Lair

James McGuire

Christine Pesses

Mrs. Pesses and Ms. Batchelor reviewed the progress of the Steering Committee since the last meeting. Congresswoman Elise Stefanik visited the Library and was given a tour and shown the plans for the renovation project. She was impressed by the plans and progress being made by the Campaign and pledged her support for the project. Mrs. Pesses also informed the Trustees that we have a letter of intent from U S Bank to purchase the New Markets Tax Credits when they become available. Ms. Batchelor informed the Trustees that a Campaign Newsletter was nearly done and would be mailed out and available at the Library during the first week of March. Ms. Batchelor also informed the Trustees that we should be checking with our donors to see if their employer might have a matching grant program that would give us additional funds that would match their donation.

Mr. Fisher informed the Trustees that we have received a copy of the MVLS Conflicts of Interest Policy and that the AD HOC Policy Committee is working on a policy for the Library using this as a guide for our Policy. A first reading should be ready for the March Trustees meeting.

Ms. Madonna informed the Trustees that she had received a list of four people from Civil Service to review for a part time position at the Library and that she was interviewing one of the people on Thursday that showed good potential.

Mrs. Pesses made a motion to go into Executive Session at 7:35 PM to discuss a personnel issue. This motion was seconded by Ms. Batchelor and approved all voting aye. Mrs. Pesses made a motion to come out of Executive Session at 7:39 PM. This motion was seconded by Mrs. Lair and approved all voting aye.

Ms. Madonna informed the Trustees that many programs are currently going on at the Library. One program is a weekly children's craft program on Wednesday afternoon at 3:30 PM. The Gloversville Reads Program for 2015 is moving forward and the programming this year for the READ will be scheduled from May 1, 2015 to June 30, 2015.

Ms. Madonna informed the Trustees that New York State is sponsoring an income tax preparation assistance program at the Library. Appointments need to be scheduled for this service. Ms. Madonna also informed the Trustees that packets for the election of trustees will be available next week and that we have three positions open on the board. Two five year positions and one two year position are available this year.

Mr. Fisher informed the Trustees that he had nothing else for the President's Report.

Mr. Frank informed the Trustees that the Gloversville Library Foundation Board had not met since our last Board of Trustees meeting.

Mr. Fisher asked if there was any old business to come before the meeting. Nothing was brought up at this time.

Mr. Fisher asked if there was any new business to come before the meeting. Nothing was brought up at this time.

Mrs. Pesses made a motion, seconded by Ms. Batchelor, to adjourn the meeting at 8:00 PM. This was approved all voting aye.

The next meeting of the Board of Trustees will be held on March 17, 2015 at 6:30 PM.

Michael J. Frank
Recording Secretary

Christine Pesses
Secretary

GLOVERSVILLE PUBLIC LIBRARY

MONTH AND YEAR-TO-DATE INCOME REPORT AND CASH RECONCILIATIONS

FEBRUARY 2015

	Budget July 1, 2014 to June 30, 2015	Amount Received Curr. Month	Amount Received Current Year to Date	Amount Received Prior Year to Date	Remaining Balance to be Received Curr. Year
Tax Levy	\$270,509.00	\$0.00	\$270,509.00	\$264,579.00	\$0.00
Investment Income	200.00	179.11	223.60	55.07	(23.60)
Gloversville Library Foundation Inc. - Int. & Div.	145,000.00	16,009.32	105,201.01	94,287.39	39,798.99
Gloversville Library Foundation Inc. - Don. Reg.	7,500.00	995.00	8,280.00	12,937.50	(780.00)
Government Affiliations	6,060.00	0.00	6,482.00	6,804.47	(422.00)
Fines & Miscellaneous Income	14,000.00	934.90	7,554.79	7,998.17	6,445.21
U.S. Treasury - Medical Ins. Credit Refunds	5,500.00	0.00	4,787.96	4,178.78	712.04
Friends of the Gloversville Public Library, Inc.	10,000.00	0.00	10,000.00	10,000.00	0.00
TOTAL RECEIPTS	<u><u>\$458,769.00</u></u>	<u><u>\$18,118.33</u></u>	<u><u>\$413,038.36</u></u>	<u><u>\$400,840.38</u></u>	<u><u>\$45,730.64</u></u>
	Income Cash Reconcilement				
Income Cash Balance on February 1, 2015	<u>\$376,936.66</u>				
Plus: Receipts Per Report	18,118.33				
Less: Expenses Per Report	<u>29,767.31</u>				
Income Cash Balance on February 28, 2015	<u><u>365,287.68</u></u>				
Accounts Payable as of 02/28/15	0.00				
Accrued Expenses as of 02/28/15	0.00				
Prepaid Expenses as of 02/28/15	<u>(5,249.23)</u>				
Actual Cash Balance on February 28, 2015	<u><u>\$360,038.45</u></u>				

BUILDING FUND

Balance on February 1, 2015	\$148,796.34
Plus: Receipts:	
Interest on Money Market Account	2.25
Meraki Mini Grant	1,183.00
Less: Paid Outs:	
Butler Rowland Mays Architects, LLP - Const. Documents	<u>14,109.51</u>
Balance on February 28, 2015	<u><u>\$135,872.08</u></u>

Prepared By,
Michael J. Frank, Treasurer

Submitted By,
Craig Clark, Vice President of Finance

GLOVERSVILLE PUBLIC LIBRARY

MONTH AND YEAR-TO-DATE COMPARISON EXPENSE REPORT

FEBRUARY 2015

	Budget July 1, 2014 to June 30, 2015	Amount Expended Curr. Month	Amount Expended Current Year to Date	Amount Expended Prior Year to Date	Current Year Unexpended Balance
Salaries - Full Time Employees	\$174,061.00	\$ 13,636.92	\$ 109,043.32	\$ 110,907.00	\$65,017.68
Salaries - Part Time Employees	64,157.00	3,893.81	34,298.34	37,275.85	29,858.66
Salaries - Custodians	23,642.00	2,008.10	15,609.76	15,003.04	8,032.24
F I C A & Medicare Tax	20,032.00	1,494.73	12,159.67	12,483.73	7,872.33
Unemployment Insurance	660.00	180.25	530.75	499.75	129.25
Disability Insurance	780.00	0.00	462.11	578.78	317.89
Medical Insurance	42,880.00	2,382.74	26,817.58	22,059.06	16,062.42
Pension Expense	38,127.00	0.00	29,924.00	19,541.25	8,203.00
Heat	9,000.00	891.83	2,304.83	3,511.35	6,695.17
Electricity	8,500.00	635.02	3,671.40	4,790.53	4,828.60
Telephone	1,000.00	236.42	1,838.92	1,150.16	(838.92)
Insurance	10,500.00	0.00	10,811.18	10,119.16	(311.18)
Books, Periodicals, etc.	46,818.00	1,958.74	31,861.25	32,512.10	14,956.75
Computer & Automation Services	18,250.00	1,039.43	12,436.58	7,478.50	5,813.42
Library, Building & Office Supplies	10,000.00	(217.28)	6,061.66	10,130.45	3,938.34
Maintenance & Repairs	9,000.00	24.41	1,237.55	3,466.39	7,762.45
Financial Secretary	8,200.00	700.00	5,450.00	5,300.00	2,750.00
Professional Fees	5,500.00	0.00	6,856.25	330.00	(1,356.25)
Election Expense	1,000.00	0.00	0.00	0.00	1,000.00
Professional Meetings & Travel	2,000.00	0.00	1,253.14	1,677.25	746.86
Events & Programming	4,682.00	220.74	1,830.79	1,114.10	2,851.21
Promotion Expense	2,500.00	601.85	2,105.75	2,639.50	394.25
General Expense	2,000.00	79.60	734.77	1,077.62	1,265.23
TOTAL EXPENSE	\$503,289.00	\$29,767.31	\$317,299.60	\$303,645.57	\$185,989.40

GLOVERSVILLE PUBLIC LIBRARY
CHECK AND CASH DISBURSEMENTS

FEBRUARY 2015

<u>Check No.</u>	<u>Warrant Number</u>	<u>Payee</u>		<u>Fund</u>
DM		E F T United States Treasury (2,325.80)	\$756.40	FICA & Medicare Expense
			1,569.40	Payroll
4588		NYS Child Support Processing Center	235.08	Child Support
4589		Gloversville Public Library	7,461.94	Payroll
4590	000191	First Nonprofit Unemployment Program (430.25)	250.00	Cash Reserve
			180.25	Unemployment Insurance
4591	000192	Donna J. Kuhner	385.00	Petty Cash
4592	000193	C D P H P	3,390.79	Medical Insurance
4593	000194	Frontier Communications	236.42	Telephone
4594	000195	National Grid (1,526.85)	891.83	Heat
			635.02	Electric
4595	000196	Michael J. Frank	700.00	Treasurer & Rec. Secretary
4596	000197	W M H T	50.00	Events & Programming
4597	000198	Susannah Risley	114.90	Events & Programming
4598	000199	Gloversville True Value Hardware	12.16	Maintenance & Repairs
4599	000200	Unique Management Services, Inc.	79.60	G/E - Collection Expense
4600	000201	Port Jackson Media	66.00	Promotion Expense
4601	000202	The Leader-Herald	111.35	Promotion Expense
4602	000203	Barbara J. Madonna	47.50	Events & Programming
4603	000204	Baker & Taylor Books	243.61	Books
4604	000205	Business Card (991.25)	362.00	Postage
			33.34	Events & Programming
			(579.28)	Library Supplies
			12.25	Maintenance & Repairs
			843.44	A/V - DVDs
			20.00	Computer & Automation
			299.50	Promotion Expense
4605	000206	Gloversville Little League	125.00	Promotion Expense
4606	000207	Clifton Park - Halfmoon Library	10.00	Books
4607	000208	Johnstown Public Library	36.00	Books
4608	000209	Children's Plus, Inc.	85.47	Books
4609	000210	Center Point Large Print	69.64	Books
4610	000211	Mohawk Valley Library System (1,337.42)	302.00	A/V - DVDs
			1,019.43	Computer & Automation
			15.99	Books
4611		NYS Child Support Processing Center	235.08	Child Support
4612		Gloversville Public Library	7,263.51	Payroll
DM		Oppenheimer Funds - 403b Plan	300.00	403b Plan
DM		E F T NYS & Local Retirement System	314.59	Pension - Withholdings
DM		E F T NYS Tax Department	641.90	Payroll
DM		E F T United States Treasury (2,255.66)	738.33	FICA & Medicare Expense
			1,517.33	Payroll
DMs		Jaeger & Flynn Associates, Inc. (Reimbursements)	171.16	Medical Insurance
		CHECK AND EFT PAID OUTS - FEBRUARY 2015	<u>31,253.93</u>	
		PETTY CASH PAID OUTS - FEBRUARY 2015		
		Books	17.59	
		Newspapers (Books)	<u>335.00</u>	
		TOTAL FEBRUARY 2015 PAID OUTS	<u><u>\$31,606.52</u></u>	
		Less: Insurance Reimbursement Johnson	(708.82)	
		Less: Cobra Reimbursement Bucholtz	(470.39)	
		Less: Voided Check #4329	(25.00)	
		Less: Cash Reserve	(250.00)	
		Less: Petty Cash Check	<u>(385.00)</u>	
		NET TO BALANCE TO EXPENSES	<u><u>\$29,767.31</u></u>	

GLOVERSVILLE PUBLIC LIBRARY
GRANTS AND OTHER ITEMS IN PROCESS

FARLEY GRANT - BULLET AID

Balance as of February 1, 2015			\$0.00
Grant Money Received			0.00
Expenses Paid From Grant Money:	<u>Check No.</u>	<u>Purpose</u>	
None			0.00
Total Expenses			0.00
Balance of Grant Money Left at February 28, 2015			\$0.00

WGY CHRISTMAS WISH GRANT

Balance as of February 1, 2015			\$205.00
Grant Money Received			0.00
Expenses Paid From Grant Money:	<u>Check No.</u>	<u>Purpose</u>	
None			0.00
Total Expenses			0.00
Balance of Grant Money Left at February 28, 2015			\$205.00

STEWART'S FOUNDATION GRANT

Balance as of February 1, 2015			\$325.00
Grant Money Received			0.00
Expenses Paid From Grant Money:	<u>Check No.</u>	<u>Purpose</u>	
None			0.00
Total Expenses			0.00
Balance of Grant Money Left at February 28, 2015			\$325.00

WORKFORCE LITERACY GRANT

Balance as of February 1, 2015			\$193.73
Grant Money Received			0.00
Expenses Paid From Grant Money:	<u>Check No.</u>	<u>Purpose</u>	
None			0.00
Total Expenses			0.00
Balance of Grant Money Left at February 28, 2015			\$193.73

APPROPRIATION FOR FUTURE AUDIT

Balance as of February 1, 2015			\$5,218.75
Appropriation Provided For In 2014-2015			0.00
Expenses Paid From Appropriation Funds:	<u>Check No.</u>	<u>Purpose</u>	
None			0.00
Total Expenses			0.00
Balance of Appropriation Funds Left at February 28, 2015			\$5,218.75

RESTORATION FUNDS RECONCILEMENT

Balance as of February 1, 2015			\$754.38
Funds Received			0.00
Expenses Paid From Restoration Funds:	<u>Check No.</u>	<u>Purpose</u>	
None			0.00
Total Expenses			0.00
Balance of Restoration Funds Left at February 28, 2015			\$754.38



Gloversville Public Library

Director's Report: February 2015

Barbara Madonna – Director

There were lots of interesting things going on at the Library in February. It was a busy month for being short.

For starters we had some new room use requests. A cancer patient and caregiver group is hoping to start meeting in the Carnegie Room on Monday evenings. A new writers group has formed out of the workshops the Library sponsored through Poets & Writers during January and February. The group has requested use of the Reading Room every other Wednesday. NYS Taxation and Finance has set up in the Reference Room on Tuesdays for the duration of tax season to assist income qualified individuals file their taxes electronically. The Veterans Administration Medical Center's Vet Employment Assistance program booked a room to work one-on-one with a customer. And the Miss Fulton County contingent was back as they prepare Miss Fulton County for the Miss New York State competition. We also have 'the regulars': Literacy tutors, school tutors – during and after school, Girl Scouts, Mineral Club, DNA testing, and United Health Care Community Planning.

I fielded an interesting historical reference request during February. A woman called to ask if we had GHS yearbooks. She was looking for her mother's senior photo to be put on her birthday cake this year. The woman thanked me and said she would be in within the week once she found a window to spend a few hours on the road to get here. Once I discovered she was out of town I offered to scan the photo and email it to her as a first attempt. As it turned out, it worked out perfectly and her mother was very touched. The daughter even followed up with an email thanking me after the party.

On the note of local history and technology, Linda Conroy and I began working with the Capital District Library Council and NYHeritage.org staff to begin the slow process of making our historical collections, images at first, available worldwide through their database and website. It is a project I've wanted to undertake since I began working here but never had the technical expertise to figure out. CDLC and NYHeritage have done all that work and have staff to assist with questions so this is a perfect partnership to make our items more accessible. It is my long term vision that this will fit in with the renovations expansion of the Local History Room.

The Polaris circulation software was upgraded in February. This project was 5 months in the works between the vendor and Joint Automation. The upgrade was accomplished overnight and never impacted patron services. JA is to be commended for this feat.

The Board of Trustees has 3 openings for the 2015 election. There are two 5-year terms and one 2-year term. Packets are available on the Library's website and at the front desk. Petitions are due April 1 for the May 5th vote.

During February we hired Shari Peto for a part time Library Clerk position. She also works part-time for the Fonda-Fultonville School District in the school library and will work evenings at the Library. Sally Fancher shifted to mornings to cover Paula DeSantis' vacancy and Shari is back filling Sally's afternoon hours.

I attended a meeting in Ballston Spa with the architects and engineers to bring everyone up to speed on our project and push forward on the more technical aspects that have been on the back seat. I am also working to set up a meeting with the architects, site engineers and Building Inspectors for the City of Gloversville. The entire project will be worked through as an introduction for the new Building Inspector, but we will also focus on the parking lot at 66 E. Fulton Street so we can complete work covered under a grant from the NYS Public Library Construction Grant program circa 2013. And the final check of the windows grant arrived.

Meetings

- Feb. 4th Gloversville READS! 2015 committee meeting
- Feb. 5th 1) MVLS Library Service committee meeting
2) Friends of the Library meeting
- Feb. 6th Staff meeting
- Feb. 9th Congresswoman Elise Stefanik
- Feb. 10th 1) Meeting with Steve Schloika, GESD, Matt Blumenfeld, Mike Frank and Chris Pesses
2) Steering Committee meeting
- Feb. 11th Finance Committee meeting
- Feb. 13th 1) Staff meeting
2) Dave Fisher
3) MVLS Foundation meeting
4) Dale Webb, Leader-Herald
- Feb. 17th 1) Gloversville READS! 2015 committee meeting
2) Board of Trustees meeting
- Feb. 18th Carson Block, Carson Block Consulting
- Feb. 19th 1) MVLS Board meeting
2) Jay Ephraim
3) Shari Peto
- Feb. 20th 1) Lisa Hayes, Butler Rowland Mays Architects, Travis Rosencranse and Yates Scott
Lansing, Lansing Engineering, Chris Leshner, Ryan Biggs
- Feb. 23rd Mary Hanley, Joint Automation
- Feb. 24th NYLA Leadership and Management Academy workshop on Sustainability
- Feb. 25th Library Advocacy Day in Albany
- Feb. 26th Ilka Morse, NYHeritage project
- Feb. 27th Staff meeting

Gloversville Public Library

February 2015

Monthly Report

Statistics for February 2015 are as follows (figures in parentheses represent comparable figures for February 2014):

	2015	2014
<u>VISITORS</u>	7,586	(7,987)

CIRCULATION

Adult Circulation	1,851	(2,222)
Teen Circulation	242	(281)
Juvenile Circulation	1,052	(1,367)
Audiobooks	221	(264)
eBooks	270	(304)
Music	50	(26)
Periodicals	77	(108)
Videos	1,281	(1,181)
Museum Passes	0	(2)
Subtotal	<u>5,044</u>	<u>(5,755)</u>
<u>In-House Use</u>		
Adult	345	(311)
Juvenile	350	(390)
Other Materials	1,751	(890)
Subtotal	<u>2,446</u>	<u>(1,591)</u>
Total February Circulation	7,490	(7,346)

<u>REFERENCE QUESTIONS</u>	866	(460)
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MEETINGS/PROGRAMS/OUTREACH

27 Adult programs and meetings with 186 people	(7 Adult programs and meetings with 59 people)
14 Juvenile programs with 199 children	(8 Juvenile programs with 119 children)
2 Teen programs with 17 people	(3 Teen programs with 37 people)

<u>INTERLIBRARY LOAN</u>	<u>Material Borrowed</u>	<u>Material Loaned</u>
Books	633	603
AV	200	209
Total	<u>833</u>	<u>812</u>

<u>COMPUTER USAGE</u>	1,076	(1,419) users
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HISTORICAL ROOM

Visitors	6
Books Used	15
Reference Questions	4
Telephone Reference	0
Letters	0
Computer usage	0

Article I Purpose

The purpose of this policy is to protect the interests of the Gloversville Public Library (the Library) when it is contemplating entering into a Transaction or arrangement that might benefit the private interest of an officer or key employee of the Library or might result in an excess benefit transaction. This policy is intended to supplement, not replace, any applicable state and federal laws.

Article II Definitions

OFFICER means a member of the Board of Trustees of the Library, or of any of its committees, excluding advisory committees.

KEY EMPLOYEE means any employee who has ultimate responsibility for implementing the decisions of the Board of Trustees; or for supervising the management, administration, or operation of the Library; or for managing the finances of the Library. Other employees may be deemed to be Key Employees based on an evaluation of all facts and circumstances guided by 26 CFR §53.4958-3 subd.(e).

INTEREST means a financial or other material benefit which will accrue to the Officer or Key Employee, or to a Family Member or a Business Associate, from a Transaction. A gift or favor received by the Officer or Key Employee from another party to the proposed Transaction during the period when the Transaction is being considered also constitutes an Interest in the Transaction.

FAMILY MEMBER includes: the Officer's or Key Employee's ancestors, descendants, siblings, spouse, or domestic partner; the spouse or domestic partner of any of the Officer's or Key Employee's ancestors, descendants, or siblings; and the ancestors, descendants, or siblings of the Officer's or Key Employee's spouse or domestic partner.

ANCESTOR includes parents, grandparents, and great-grandparents in addition to more remote ancestors.

BUSINESS ASSOCIATE means any for-profit or not-for-profit entity of which the Officer or Key Employee is an employee, owner, or member of the governing Board of Trustees, or in which the Officer or Key Employee has a beneficial interest. A publicly-traded corporation shall not be considered a Business Associate if the total amount of stock in that corporation owned by the Officer or Key Employee and all the Officer's or Key Employee's Family Members and Business Associates is five percent (5%) or less of the issued and outstanding stock of the corporation.

TRANSACTION means any contract or other arrangement to which the Library is a party.

INTERESTED PERSON means an Officer or Key Employee who has an Interest in a Transaction.

CONFLICT OF INTEREST means that the Officer or Key Employee has a substantial financial interest in the proposed Transaction.

A **RELATED PARTY TRANSACTION** is a Transaction in which an Officer or Key Employee has any financial interest.

Article III Procedures

An Officer or Key Employee who realizes that they may have an Interest in a proposed Transaction being considered by the Board of Trustees or a committee will refrain from discussing the Transaction with members of the Board of Trustees or of the committee, except to the extent necessary to disclose the Interest, and will also refrain from seeking in any other way to influence the decision concerning that Transaction.

When the Board of Trustees or a committee is considering a Transaction in which an Interested Person who is a member of the Board of Trustees or that committee has an Interest, the Interested Person must, at the earliest opportunity, disclose to the remaining members of the Board of Trustees or the committee the existence of the Interest and all material facts concerning it.

After disclosing the Interest and all material facts concerning it, the Interested Person shall leave the Board of Trustees or committee meeting, and the remaining Board of Trustees or committee members shall review the information provided and determine whether a Conflict of Interest or Related Party Transaction exists.

If the Board of Trustees or committee determines that a Conflict of Interest or Related Party Transaction exists, the Interested Person shall not be present when the Transaction is discussed and may not participate in the decision whether to enter into the Transaction.

Before approving or recommending the Transaction, the Board of Trustees or committee shall conduct a reasonable investigation of the available alternatives to the proposed Transaction. If, from that investigation, it appears that the Library cannot with reasonable effort obtain a more advantageous Transaction from a source that would not give rise to a Conflict of Interest or Related Party Transaction, the Board of Trustees or committee may approve or recommend the Transaction if it determines by the affirmative vote of a majority of the entire Board of Trustees or of the committee that the Transaction is fair, reasonable, for the Library's own benefit, and in its best interest.

The minutes of any meeting of the Board of Trustees or of a committee at which an Officer's or Key Employee's Interest in a Transaction is discussed shall include: the name of each Officer or Key Employee who disclosed, or who was otherwise discovered to have, an Interest in the Transaction; the nature of each such Interest; the decision of the Board of Trustees or committee concerning whether a Conflict of Interest or Related Party Transaction exists; and the rationale underlying the Board of Trustees' or the committee's decision.

The minutes of any meeting at which the Board of Trustees or a committee discussed a Transaction in which an Officer or Key Employee has an Interest that constitutes a Conflict of Interest or Related party Transaction shall include: the names of all persons who were present during the discussion of the Transaction; the content of the discussion, including any alternatives which were considered; the names of all persons who were present during any vote relating to the Transaction; and a record of each vote.

The failure to disclose an Interest in a proposed Transaction is cause for removal from the Board of Trustees or the committee, and cause for employee discipline up to and including termination.

Article IV Initial and Annual Statements

Each Officer shall, before assuming office, and each Key Employee shall, before commencing the duties of the position, sign a statement which affirms that the Officer or Key Employee:

- Has received a copy of this policy;
- Has read, and understands, the policy;
- Has agreed to comply with the policy; and
- Understands that the Library can maintain its federal tax-exempt status only if it engages primarily in activities which accomplish one or more of its tax-exempt purposes.

Each Officer or Key Employee shall, before assuming office or commencing the duties of the position, and annually thereafter, file with the Library's Secretary a written statement disclosing, to the best of the Officer's or Key Employee's knowledge, any of the Officer's or Key Employee's Business Associates with which the Library has a relationship, and any Transaction in which the Library is a participant in which the Officer or Key Employee might have a conflicting Interest.

Article V Periodic Reviews

To ensure that the Library operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, address:

Whether compensation arrangements and benefits are reasonable, based on relevant survey information, and are the result of arm's length bargaining.

Whether partnerships, joint ventures, and arrangements with management organizations conform to the Library's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in an impermissible private benefit or an excess benefit transaction.

When conducting such reviews the Library may, but need not, use outside advisors, but their use shall not relieve the Board of Trustees of its responsibility for ensuring that periodic reviews are conducted.

Approved: