

NEW ROCHELLE PUBLIC LIBRARY CONFLICT OF INTEREST POLICY

PURPOSE

The purpose of this policy is to protect the interests of the New Rochelle Public Library (NRPL) when it is contemplating entering into a transaction or arrangement that might benefit the private interests of a Trustee or Employee of the NRPL. The NRPL will not enter into any such transaction or arrangement unless it is determined by the Board of Trustees to be fair reasonable, permitted by law and in the best interest of the NRPL at the time of such determination. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to not-for-profit, charitable organizations and municipalities.

I. STATUTORY CONFLICTS OF INTEREST

It shall be a conflict of interest for a trustee or employee to benefit personally from contracts made in their official capacity.

“**Contract**” is defined broadly to include any claim or demand against the NRPL or account or agreement with the NRPL, whether expressed or implied which exceeds the sum of \$750.00 in any fiscal year.

“**Interest**” is defined as a direct or indirect benefit that runs to the trustee or employee as a result of a contract with the NRPL.

A trustee or employee is deemed to have an “interest” in:

1. a firm, partnership or association in which he or she is a member or employee;
2. a corporation in which he or she is an officer, director or employee; or
3. a corporation in which he or she directly or indirectly owns or controls 5% or greater of the outstanding shares.
4. A trustee or employee also is deemed to have an “interest” in a contract between the NRPL and his/her spouse, minor child or dependents, except for an employment contract entered into between the NRPL, a spouse, minor child or dependent of a board member authorized by §800(3) of the General Municipal Law.

Personal interests which are **prohibited** by law include:

1. Interest in a contract with the NRPL where a trustee has the power, or may appoint someone who has the power, to negotiate, authorize or make payment or audit bills or claims under the contract, unless otherwise exempted by exception under law; and

2. Interest by a Chief Officer, Treasurer or his/her Deputy or employee in a Bank or other financial institution that is used by the NRPL he or she serves, unless otherwise exempted by exception under law.

In order for the NRPL to enter into an enforceable contract where a trustee or employee of the NRPL has a prohibited conflict of interest which is not exempted by an exception to the law, the affected member, officer or employee must resign from his/her office or employment prior to the time that the board takes action upon the contract or liquidate his/her ownership interest above 5%.

Exceptions

A trustee or employee shall be deemed not to have a conflict of interest in any of the exceptions listed in §802 of the General Municipal Law, including:

1. Contracts with membership corporations or other voluntary not-for-profit corporations or associations (e.g. Taylor Law collectively negotiated agreements, contract with a not-for-profit health services organization) - are exempt from the conflict of interest rules. No board member is prohibited from voting on collectively negotiated agreements which are applicable to his/her spouse or children;
2. Contracts entered into by the NRPL with a person who is subsequently elected or appointed to the Board, office or employment remain valid, except the contract may not thereafter be renewed.
3. A contract with a corporation of which the interest of the Board member, officer or employee, by reason of stockholding, is less than 5% of the outstanding shares.
4. Contracts between the NRPL and a trustee or employee in which the total amount does not exceed \$750.00 in any fiscal year.
5. A contract with a person, firm, corporation or association in which a municipal officer or employee has an interest prohibited solely by reason of employment as an officer or employee of such other entity, if their compensation will not be directly affected as a result of the contract with the municipality or school district and duties do not directly involve the procurement, preparation or performance of any part of the contract except that such employee should recuse himself/herself from any deliberations or votes pertaining to such employees.

Disclosure Requirements

Board members, officers and employees must publicly disclose the nature and extent of any non-excepted interest they or their spouse have, will have or later acquire in any actual or proposed contract, purchase agreement, lease agreement or other agreement involving the NRPL (including oral agreements), even if it is not a prohibited interest under applicable law. Such disclosure must be in writing and made part of the official record of the NRPL. Disclosure is not required in the case of an interest that is an exception exempted under General Municipal Law §802; however, board members, officers and employees are encouraged to voluntarily make such disclosure.

If a board member is legally permitted to vote on a matter, but the matter is subject to disclosure by statute, or if the board member chooses to voluntarily disclose an excepted interest, the affected board member shall be the last member called to vote on such matter.

II. OTHER PROHIBITED ACTIVITIES

No board member, officer or employee shall:

1. Use or attempt to use his or her official position to secure unwarranted privileges or exemptions for such officer or employee or others.
2. By his or her conduct give reasonable basis for the impression that any person can improperly influence such officer or employee or unduly enjoy special favor in the performance of official duties, or that he or she is affected by the kinship, rank, position or influence of any party or person.
3. Be in receipt of information regarding the NRPL, its officers, employees or agents, that involves allegations of criminal activity, other wrongdoing, or that may adversely affect NRPL operations and not report such information to the Board President or Director, who shall be obligated to report such information to the Board of Trustees at its next Board meeting.

III. GIFTS

No board member, officer or employee shall directly or indirectly solicit any gift or accept or receive any gift having a value of \$75.00 or more under circumstances in which it could reasonably be inferred that the gift was intended to influence him/her, or could reasonably be expected to influence him/her in the performance of his/her official duties or was intended as a reward for any official action on his/her part. If a board member, officer or employee receives any gift having a value of \$75.00 or more, such gift shall be returned.

IV. VOIDING OF CONTRACTS

Contracts willfully entered into in violation of Article 18 of the General Municipal Law regarding conflicts of interest are deemed void.

V. VIOLATIONS AND CONSEQUENCES

Bases for Removal

A board member may be removed from office for violating their oath of office and/or neglecting their duty.

The willful violation of Article 18 of the General Municipal Law is a misdemeanor and may also result in the Board member's removal from office.

A board member may be removed from office upon the grounds of official misconduct for attempting to take official action on behalf of the board when such action is not authorized by statute, regulation or decisional law.

The willful receipt and retention of a gift having a value of \$75.00 or more may result in removal from the Board.

A board member may be removed for failure to timely notify the Board President or Director of the receipt of information regarding the NRPL, its officers, employees or agents, that involves allegations of criminal activity, other wrongdoing, or that may adversely affect NRPL operations.

Discipline of Other Officers and Employees

An officer, other than a board member, or an employee may be subject to disciplinary action, including reprimand, fine, suspension or termination of employment, in accordance with due process of law, if applicable, for violating this policy.

VI. DISTRIBUTION, FILING AND POSTING REQUIREMENT

The Director shall distribute to every board member, officer and employee in the NRPL the Conflict of Interest Policy. Each board member, officer and employee shall annually sign and submit to the Secretary of the NRPL a statement which affirms such person (a) has received a copy of this policy, (b) has read and understands this policy, and (c) has agreed to comply with the policy.

In accordance with §807, General Municipal Law, the Director must ensure that a copy of Article 18, General Municipal Law is posted in a conspicuous place.

Adopted by the New Rochelle Board of Trustees
February 14, 2017