Phillips Free Library
CONFLICT OF INTEREST POLICY

SECTION 1. PURPOSE:
Phillips Free Library is a nonprofit, tax-exempt organization. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of Phillips Free Library as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public. Consequently, there exists between Phillips Free Library and its board, officers, and management employees and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity. The board, officers, and management employees have the responsibility of administering the affairs of Phillips Free Library honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of the library. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the library, or knowledge gained therefrom, for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

SECTION 2. PERSONS CONCERNED:
This statement is directed not only to directors and officers, but to all employees who can influence the actions of Phillips Free Library. For example, this would include all who make purchasing decisions, all persons who might be described as "management personnel," and anyone who has proprietary information concerning the library.

SECTION 3. AREAS IN WHICH CONFLICT MAY ARISE:
Conflicts of interest may arise in the relations of directors, officers, and management employees with any of the following third parties:
1. Persons and firms supplying goods and services to Phillips Free Library.
2. Persons and firms from whom Phillips Free Library leases property and equipment.
3. Persons and firms with whom Phillips Free Library is dealing or planning to deal in connection with the gift, purchase, or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporting Phillips Free Library.
6. Agencies, organizations, and associations which affect the operations of Phillips Free Library.
7. Family members, friends, and other employees.

SECTION 4. NATURE OF CONFLICTING INTEREST:

A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 3. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with Phillips Free Library.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with Phillips Free Library.
3. Receiving remuneration for services with respect to individual transactions involving Phillips Free Library.
4. Using Phillips Free Library's time, personnel, equipment, supplies, or goodwill for other than library-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with Phillips Free Library. Receipt of any gift is disapproved except gifts of a value less than $50, which could not be refused without discourtesy. No personal gift of money should ever be accepted.

SECTION 5. INTERPRETATION OF THIS STATEMENT OF POLICY:

The areas of conflicting interest listed in Section 3, and the relations in those areas which may give rise to conflict, as listed in Section 4, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the directors, officers, and management employees will recognize such areas and relations by analogy.

The fact that one of the interests described in Section 4 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of Phillips Free Library.

However, it is the policy of the board that the existence of any of the interests described in Section 4 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the board, officers, and management employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

SECTION 6. DISCLOSURE POLICY AND PROCEDURE:

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. The person with the conflict of interest is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists; and

4. The [board or a duly constituted committee thereof] has determined that the transaction is in the best interest of the organization.

Disclosure in the organization should be made to the chief executive officer (or if she or he is the one with the conflict, then to the board chair), who shall bring the matter to the attention of the board (or a duly constituted committee thereof). Disclosure involving directors should be made to the board president (or, if she or he is the one with the conflict, then to the board vice-president), who shall bring these matters to the board (or a duly constituted committee thereof). The board (or a duly constituted committee thereof) shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to Phillips Free Library. The decision of the board (or a duly constituted committee thereof) on these matters will rest in their sole discretion, and their concern must be the welfare of Phillips Free Library and the advancement of its purpose.

Reviewed and approved 08/17/26 by the Board of Trustees.

Phillips Free Library
CONFLICT OF INTEREST DISCLOSURE STATEMENT

Preliminary note: In order to be more comprehensive, this statement of disclosure/questionnaire also requires you to provide information with respect to certain parties that are related to you. These persons are termed "affiliated persons" and include the following:

a. your spouse, domestic partner, child, mother, father, brother or sister;

b. any corporation or organization of which you are a board member, an officer, a partner, participate in management or are employed by, or are, directly or indirectly, a debt holder or the beneficial owner of any class of equity securities; and

c. any trust or other estate in which you have a substantial beneficial interest or as to which you serve as a trustee or in a similar capacity.

1. NAME OF EMPLOYEE OR BOARD MEMBER: (Please print)

_____

2. CAPACITY: _____board of directors
_____executive committee
_____officer
_____committee member
_____staff (position): _____

3. Have you or any of your affiliated persons provided services or property to _____ in the past year?

_____YES _____NO

If yes, please describe the nature of the services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

_____
_____
_____

4. Have you or any of your affiliated persons purchased services or property from _____ in the past year?

_____YES _____NO

If yes, please describe the purchased services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

_____
_____
_____

5. Please indicate whether you or any of your affiliated persons had any direct or indirect interest in any business transaction(s) in the past year to which Phillips Free Library was or is a party.

_____YES _____NO

If yes, describe the transaction(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

_____
_____
_____

6. Were you or any of your affiliated persons indebted to pay money to Phillips Free Library at any time in the past year (other than travel advances or the like)?

_____YES _____NO

If yes, please describe the indebtedness, and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

_____
_____
_____

7. In the past year, did you or any of your affiliated persons receive, or become entitled to receive, directly or indirectly, any personal benefits from Phillips Free Library or as a result of your relationship with Phillips Free Library, that in the aggregate could be valued in excess of $1,000, that were not or will not be compensation directly related to your duties to the library?

_____YES _____NO

If yes, please describe the benefit(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

_____
_____
_____

8. Are you or any of your affiliated persons a party to or have an interest in any pending legal proceedings involving _____?

_____YES _____NO

If yes, please describe the proceeding(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

_____
_____
_____

9. Are you aware of any other events, transactions, arrangements or other situations that have occurred or may occur in the future that you believe should be examined by the library's [board or a duly constituted committee thereof] in accordance with the terms and intent of the library's conflict of interest policy?

_____YES _____NO

If yes, please describe the situation(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

_____
_____
_____

I HEREBY CONFIRM that I have read and understand Phillips Free Library's conflict of interest policy and that my responses to the above questions are complete and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with this policy, I will notify the director immediately.

_____ _____

Signature Date

Phillips Free Library
GIFT POLICY AND DISCLOSURE FORM

As part of its conflict of interest policy, Phillips Free Library requires that directors, officers and employees decline to accept certain gifts, consideration or remuneration from individuals or companies that seek to do business with the library or are a competitor of it. This policy and disclosure form is intended to implement that prohibition on gifts.

Section 1. "Responsible Person" is any person serving as an officer, employee or a member of the board of directors of Phillips Free Library.

Section 2. "Family Member" is a spouse, domestic partner, parent, child or spouse of a child, or a brother, sister, or spouse of a brother or sister, of a Responsible Person.

Section 3. "Contract or Transaction" is any agreement or relationship involving the sale or purchase of goods, services or rights of any kind, receipt of a loan or grant, or the establishment of any other pecuniary relationship. The making of a gift to Phillips Free Library is not a "contract" or "transaction."

Section 4. Prohibited gifts, gratuities and entertainment. Except as approved by the Chairman of the Board or his designee or for gifts of a value less than $50 which could not be refused without discourtesy, no Responsible Person or Family Member shall accept gifts, entertainment or other favors from any person or entity which:

1. Does or seeks to do business with the library or,
2. Does or seeks to compete with the library or,
3. Has received, is receiving, or is seeking to receive a Contract or Transaction with Phillips Free Library.

GIFT STATEMENT

I certify that I have read the above policy concerning gifts, and I agree that I will not accept gifts, entertainment or other favors from any individual or entity, which would be prohibited by the above policy. Following my initial statement, I agree to provide a signed statement at the end of each calendar year certifying that I have not received any such gifts, entertainment or other favors during the preceding year.

_____ _____

Signature Date