Amherst Public Libraries

Conflict of Interest Policy

This policy is for application to those libraries within the Amherst Public Library:

Honorable Shirley Chisholm Library, 350 John James Audubon Parkway, Amherst, NY 14228

Clearfield Branch Library, 770 Hopkins Road, Williamsville, NY 14221

Eggertsville-Snyder Branch Library, 4622 Main Street, Williamsville, NY 14221

Williamsville Branch Library, 5571 Main Street, Snyder, NY 14226

ARTICLE I
Purpose

The purpose of this Conflict of Interest Policy is to protect the Amherst Public Library when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, trustee, or Key Employee of the Amherst Public Library. It provides guidelines for handling perceived, potential or actual Conflicts of Interest and addresses procedures and disclosures of Related Party Transactions. This policy is intended to supplement but not replace any applicable state and federal laws governing Conflict of Interest applicable to nonprofit and charitable organizations.

ARTICLE II
Definitions

Section 2.1. Interested Person. An Interested Person is any trustee, officer, employee or member of a committee with powers delegated by the Board of Trustees, who (1) has a direct or indirect Financial Interest, as defined below, and/or (2) is a Related Party, as defined below.

Section 2.2. Disinterested Trustee. A Disinterested Trustee is any trustee who is not an Interested Person.

Section 2.3. Relative. A Relative of an individual means their spouse or domestic partner, ancestors, siblings, children, grandchildren, great-grandchildren, and spouses of siblings, children, grandchildren and great-grandchildren.

Section 2.4. Financial Interest. A person has a Financial Interest if the person has, directly or indirectly, through business, investment, or a Relative:

(A) An ownership or investment interest in any entity with which the Amherst Public Library has a transaction or arrangement;

(B) A compensation arrangement with the Amherst Public Library or with any entity or individual with which the Amherst Public Library has a transaction or arrangement; or

(C) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Amherst Public Library is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

Section 2.5. Substantial Financial Interest. A Financial Interest in a Related Party Transaction is a "Substantial Financial Interest" if, in the discretion of the Board after giving due consideration to the material facts and circumstances of the Financial Interest as presented, the Board determines that such Financial Interest is substantial.

Section 2.6. Related Party. A Related Party includes:

(A) any trustee, officer or Key Employee of the Amherst Public Library or any Affiliate of the Amherst Public Library;

(B) any Relative of any trustee, officer or Key Employee of the Amherst Public Library or any Affiliate of the Amherst Public Library; or

(C) any entity in which any individual described in clauses (A) and (B) of this section has a thirty-five percent or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five percent.

Section 2.7. Key Employee. A Key Employee is any person who is in a position to exercise substantial influence over the affairs of the Amherst Public Library.

Section 2.8. Affiliate of the Amherst Public Library. An Affiliate of the Amherst Public Library means any entity controlled by, in control of, or under common control with the Amherst Public Library.

Section 2.9. Related Party Transaction. A Related Party Transaction means any transaction, agreement or any other arrangement in which a Related Party has a Financial Interest and in which the Amherst Public Library or any Affiliate of the Amherst Public Library is a participant.

Section 2.10. Conflict of Interest. A Conflict of Interest exists if an outside interest or activity influences or appears to influence the ability of an individual to exercise objectivity or impair the individual's ability to perform their responsibility in the best interests of the Amherst Public Library.

ARTICLE III
Disclosure

Section 3.1. Initial Disclosure. Prior to the initial election of any trustee, officer, or member of a committee with powers delegated by the Board, the prospective trustee, officer, or committee member, shall complete, sign and submit to the Town of Amherst a written Disclosure Statement, identifying to the best of their knowledge, the following information:

(A) any entity of which such prospective trustee, officer, committee member, or Key Employee is an officer, trustee, member, owner (either as a sole proprietor or a partner), or employee and with which the Amherst Public Library has a relationship; and

(B) any transaction in which the Amherst Public Library is a participant and in which a prospective trustee, officer, committee member, or Key Employee might have a Financial Interest that may give rise to a Conflict of Interest or Related Party Transaction.

Section 3.2 Annual Disclosure. Each Amherst Public Library trustee shall annually submit to the Town of Amherst the written Disclosure Statement, in which such person:

(A) identifies, to the best of their knowledge, the information specified in Paragraphs (A) and (B) of Section 3.1 of this Article;

(B) affirms that they have reviewed a copy of Chapter 19 of the Town of Amherst Town Code (Code of Ethics), understands and agrees to comply with the policy, and recognizes that the Amherst Public Library is a 501(c)(3) charitable organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 3.3 Continuing Duty to Disclose. In connection with any actual or possible Conflict of Interest or Related Party Transaction which may arise in the ordinary course of the year and within Board or committee meetings, an Interested Person must disclose the existence of the Financial Interest and be given the opportunity to disclose all material facts to the Board of Trustees or the Governance Committee. Such disclosure may be made in a written statement or orally at a meeting of the Board, provided that such oral disclosure must be documented in the minutes of the meeting at which such disclosure is made and given to the Governance Committee for review in accordance with Article IV, Section 4.2.

ARTICLE IV
General Procedures

Section 4.1. General Prohibitions.

(A) An Interested Person is precluded from being present at or participating in any Board or committee deliberation or vote related to the transaction or arrangement giving rise to a Conflict of Interest or Related Party Transaction. Notwithstanding the foregoing, the Board of Trustees, may request that an Interested Person present information to the Board prior to the commencement of deliberations or voting relating thereto.

(B) An Interested Person shall not directly or indirectly attempt to influence improperly the deliberation or voting on the transaction or arrangement giving rise to the conflict.

Section 4.2. Determining Whether a Conflict of Interest or Related Party Transaction Exists.

(A) After the Interested Person's disclosure of the existence of and all material facts relating to their Financial Interest as required under Article III, and after any discussion among the remaining members of the Board of Trustees and the Interested Person regarding the facts and circumstances of the Financial Interest, the Board of Trustees shall discuss and make a recommendation of the determinations required by Paragraphs (C) and (D) of this Section 4.2. Alternatively, if the existence of the Financial Interest initially arises at a meeting of the Board of Trustees, then the Board of Trustees can directly make the determinations required, provided the Interested Person leaves the meeting while the remaining members of the Board of Trustees discusses the information disclosed.

(B) Upon due discussion and consideration of the recommendations, the Board shall make each of the determinations required by Paragraphs (C) and (D) of this Section 4.2.

(C) Upon discussion, the remaining Board members shall decide and document in the meeting minutes if the transaction or arrangement constitutes a Related Party Transaction as defined in Article II, Section 2.9. If so, then the Board of Trustees must also determine and document in the meeting minutes whether the Related Party has a Substantial Financial Interest, as defined in Article II, Section 2.5, in the proposed Related Party Transaction. Regardless of whether or not the Financial Interest is a Substantial Financial Interest, a Related Party Transaction is subject to the procedures set forth in Article V.

(D) If the transaction or arrangement does not constitute a Related Party Transaction as defined in Article II, Section 2.9, then the remaining Board members in their discretion shall decide if a Conflict of Interest, as defined in Article II, Section 2.10, exists nonetheless, after giving due consideration to the material facts and circumstances presented. If the Board

determines that the transaction or arrangement involves a Conflict of Interest, then such transaction or arrangement is subject to the procedures set forth in Article V.

ARTICLE V
Procedures for Addressing Conflicts of Interest & Related Party Transactions

Section 5.1. Consideration of Alternatives.

(A) If the transaction or arrangement is a Related Party Transaction in which the Related Party has a Substantial Financial Interest, then consideration of alternatives in accordance with this section is mandatory. For Conflicts of Interest, consideration of alternatives is within the discretion of the Board of Trustees.

(B) After disclosure and discussions with the Interested Person, the Board of Trustees may appoint a Disinterested Trustee or committee of Disinterested Directors to investigate alternatives to the proposed transaction or arrangement. Alternatives must be presented to the Board of Trustees and must be documented in the minutes of the meeting at which the determination is made.

(C) If alternatives are investigated and presented to the Board, then after exercising due diligence and giving due consideration for any such alternative transactions presented, the Board of Trustees shall determine whether the Amherst Public Library can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a Conflict of Interest or Related Party Transaction.

Section 5.2. Board Decision.

(A) If alternatives are considered, whether mandatory or discretionary, and if the Board of Trustees determines that a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a Conflict of Interest or Related Party Transaction, the Board of Trustees shall determine by a majority vote of the Board whether the transaction or arrangement is in the Amherst Public Library's best interest, for the Amherst Public Library's own benefit, and whether it is fair and reasonable.

(B) In conformity with the above determination, in accordance with the Amherst Public Library's Bylaws, the Board of Trustees shall make its decision as to whether to enter into the transaction or arrangement.

(C) If the transaction or arrangement involves a Related Party Transaction in which the Related Party has a Substantial Financial Interest, then a majority of the Board members present at the meeting is required to approve such transaction.

Section 5.3. Documentation Required. In connection with all actual or possible Conflicts of Interest and Related Party Transactions, the Board of Trustees shall document in the minutes of the meeting at which such determinations are made the following:

(A) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible Conflict of Interest or Related Party Transaction, the nature of the Financial Interest, any action taken to determine whether a Conflict of Interest or Related Party Transaction was present, and the Board's decision as to whether a Conflict of Interest, Related Party Transaction or Substantial Financial Interest in a Related Party Transaction in fact existed.

(B) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussions at the meeting regarding the proposed transaction or arrangement, including the alternatives to the proposed transaction or arrangement considered, if any.

(C) The determination as to whether the transaction or arrangement is fair, reasonable and in the Amherst Public Library's best interest.

(D) The determination as to whether to enter into the transaction or arrangement which gives rise to the Conflict of Interest or Related Party Transaction. If the Board of Trustees approves a Related Party Transaction in which the Related Party has a Substantial Financial Interest, then the minutes must also include the basis for such approval.

(E) A record of any votes taken in connection with the proceedings.

ARTICLE VI
Oversight & Reviews

Section 6.1. Oversight Responsibility. The Board of Trustees, as defined in the Amherst Public Library's Bylaws, shall oversee the adoption of, implementation of, and compliance with this Conflict of Interest Policy in accordance with the procedures contained herein and within the process and authority granted under the Bylaws.

Section 6.2. Violation of the Conflict of Interest Policy.

(A) If the Amherst Public Library Board of Trustees has reasonable cause to believe a trustee, officer or Key Employee has failed to disclose an actual or possible Conflict of Interest or Related Party Transaction, it shall inform such person of the basis for such belief and afford such person an opportunity to explain the alleged failure to disclose.

(B) If, after hearing the response of the trustee, officer or Key Employee and after making further investigation as warranted by the circumstances, the Amherst Public

Library Board of Trustees determines that the trustee, officer or Key Employee has failed to disclose an actual or possible Conflict of Interest or Related Party Transaction, it shall recommend appropriate disciplinary and corrective action, up to and including dismissal or termination, and referral to the New York State Board of Regents for possible removal of a trustee, pursuant to New York State Education Law Section 226.

Section 6.3. Periodic Reviews. To ensure the Buffalo & Erie County Public Library operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, the Board shall conduct periodic reviews. The periodic reviews shall, at a minimum, include the following subjects:

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

(B) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Amherst Public Library's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in impermissible or excessive benefit.

Section 6.4. Use of Outside Experts. When conducting the periodic reviews as provided for in Article VI, Section 6.3, the Amherst Public Library may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Trustees of its responsibility for ensuring periodic reviews are conducted.

Adopted by The Amherst Public Library Board of Trustees at a public meeting held on November 18, 2015.

Amended by The Amherst Public Library Board of Trustees at a public meeting held on October 27, 2026.