



Conflict of Interest Policy (approved September, 2022)

I. Application of Policy

This policy applies to Prince George's County Memorial Libraries System Foundation board members, and certain volunteers of the Prince George's County Memorial Library System Foundation ("The Foundation"). A volunteer is covered under this policy if the officers of the Foundation Board determine by majority vote that the person has been granted significant independent decision-making authority with respect to financial or other resources of the organization which necessitates coverage by this policy. Persons covered under this policy are hereinafter referred to as "interested parties."

II. Conflict of Interest

A conflict of interest may exist when the interests or concerns of an interested party may be seen as competing with the interests or concerns of the organization. There are a variety of situations which raise conflict of interest concerns including, but not limited to, the following:

Financial Interests. A conflict may exist in which an interested party, or a relative or business associate of an interested party, directly or indirectly benefits or profits as a result of a decision made or transaction entered into by the Foundation. Examples include, but are not limited to, situations in which:

1. the Foundation contracts to purchase or lease goods, services, or properties from an interested party, or a relative, or business associate of an interested party;
2. the Foundation purchases an ownership interest in or invests in a business entity owned by an interested party, or by a relative or business associate of an interested party;
3. the Foundation offers employment to an interested party, or a relative, or business associate of an interested party, other than a person who is already employed by the Foundation;
4. an interested party, or a relative or business associate of an interested party, is provided with a gift, gratuity, or favor of a substantial nature, from a person or entity which does business, or seeks to do business, with the Foundation;
5. an interested party, or a relative or business associate of an interested party, is gratuitously provided use of the facilities, property, or services of the Foundation;

Other Interests. A conflict may also exist in which an interested party, or a relative or business associate of an interested party, obtains a non-financial benefit or advantage that they would not have obtained absent their relationship with the Foundation, or in which their responsibility owed to the Foundation conflicts with a duty or responsibility owed to some other organization. Additional conflicts may be more subtle and be more in the nature of a duality of interest. Examples include, but are not limited to, situations in which:

1. an interested party seeks to obtain preferential treatment by the Foundation for themselves, a relative, or a business associate;
 - a. Due to the nature of the work of the Foundation, it is possible and even probable that board members or staff members may be in a position in which their family members receive services from the Foundation. Typically, an employee should not work directly in the program through which their family member is receiving services, except where specifically approved by a majority vote of the Foundation's officers.
 - b. All employees should exercise care to ensure that they are not using their position to improperly influence or intervene to advocate for a member of their family that is receiving services (or on a waiting list to receive services).
2. an interested party seeks to make use of confidential information obtained from the Foundation for their own benefit, or for the benefit of a relative, business associate, or other organization;
3. an interested party seeks to take advantage of an opportunity, or enable a relative, business associate or other organization to take advantage of an opportunity, which they have reason to believe would be of interest to the Foundation.

III. Disclosure of Actual or Potential Conflicts of Interest

An interested party is under a continuing obligation to disclose any actual or potential conflict of interest as soon as it is known, or reasonably should be known.

An interested party shall complete a questionnaire, in the form attached hereto, to fully and completely disclose the material facts about any actual or potential conflicts of interest. The disclosure statement shall be completed upon their association with the Foundation and shall be updated annually thereafter. An additional disclosure statement shall be filed at such time as an actual or potential conflict arises.

For board members, the disclosure statements shall be provided to the Chair of the Board, or in the case of the Chair's disclosure statement which shall be provided to the Secretary of the Board. Copies shall also be provided to the Prince George's Memorial Library System (PGCMLS) Chief Executive Officer.

In the case of staff or volunteers with significant decision-making authority, the disclosure statements shall be provided to the Chair of the Board.

The Secretary of the Board of Directors shall file copies of all disclosure statements with the official corporate records of the Foundation.

IV. Procedures for Review of Actual or Potential Conflicts

Whenever there is reason to believe that an actual or potential conflict of interest exists between Prince George's County Memorial Library System Foundation and an interested party, the Board of Directors shall determine the appropriate organizational response. This shall include, but not necessarily be limited to, invoking the procedures described below in Section IV with respect to a specific proposed action or transaction.

Where the actual or potential conflict involves a board member, volunteer, or employee (if such exists) of the Foundation other than the Prince George's County Memorial Library System staff person on loan to the Foundation (Donor Engagement and Grants Officer). The Donor Engagement and Grants Officer shall, in the first instance, be responsible for reviewing the matter and may take appropriate action as necessary to protect the interests of the Foundation after conferring with the Foundation Chair. The Donor Engagement and Grants Officer or other person responsible for the review shall report to the Chair the results of any review and the action taken. The Chair, in consultation with the other Foundation officers, shall determine if any further board review or action is required.

If the Donor Engagement and Grants Officer or other library officer has, or may have, a conflict of interest in a matter under consideration they shall notify the chairperson of the Foundation Board of directors. The Chief Operating Officer of the Prince George's County Memorial Library System Board of Directors shall confer with the Chair of the Foundation Board to determine a proper disposition, consistent with applicable PGCMLS policies to determine applicable action, however final decision lies within the authority of the PGCMLS Chief Operating Officer.

Where the actual or potential conflict of interest involves the Foundation Chair, the Donor Engagement and Grants Officer shall confer with the Foundation Vice-Chair about the conflict and any action that the Donor Engagement and Grants Officer recommends. That recommendation shall be reviewed by the Foundation's officers, other than the Chair, who may take appropriate action as necessary to protect the interests of the Foundation.

V. Procedures for Addressing Conflicts of Interest - Specific Transactions

Where an actual or potential conflict exists between the interests of the Foundation and an interested party with respect to a specific proposed action or transaction, the Foundation shall refrain from the proposed action or transaction until such time as the proposed action or transaction has been approved by the disinterested members of the Board of Directors of the Foundation. The following procedures shall apply:

1. An interested party who has an actual or potential conflict of interest with respect to a proposed action or transaction of the corporation shall not participate in any way in, or be present during, the deliberations and decision making of the Foundation with respect to such action or transaction. The interested party may, upon request, be available to answer questions or provide material factual information about the proposed action or transaction.
2. The disinterested members of the Board of Directors may approve the proposed action or transaction upon finding that it is in the best interests of the Foundation. The Board shall consider whether the terms of the proposed transaction are fair and reasonable to the Foundation and whether it would be possible, with reasonable effort, to find a more advantageous arrangement with a party or entity that is not an interested party.
3. Approval by the disinterested members of the Board of Directors shall be by vote of a majority of directors in attendance at a meeting at which a quorum is present. An interested party shall not be counted for purposes of determining whether a quorum is present, nor for purposes of determining what constitutes a majority vote of directors in attendance.
4. The minutes of the meeting shall reflect that the conflict disclosure was made, the vote taken and, where applicable, the abstention from voting and participation by the interested party.

VI. Conflicts of Interest and Compensation

A voting member of the board who receives or may receive compensation or benefit, directly or indirectly, from the Foundation for services is precluded from participating in discussion about, or voting on, matters pertaining to that member's compensation. In the case where the highest-ranking staff person is also a voting member of the board, that staff person is precluded from participating in discussion about, or voting on, matters related to his or her own performance evaluation, benefits, and grievances against that staff person.

VII. Violations of Conflict of Interest Policy

If the Board of Directors has reason to believe that an interested party has failed to disclose an actual or potential conflict of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

If, after hearing the response of the interested party and making such further investigation as may be warranted in the circumstances, the board determines that the interested party has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Annual Affirmation of Compliance and Disclosure Statement

I have received and carefully read the Conflict of Interest Policy for board members, staff and volunteers of Prince George's County Memorial Library System Foundation and have considered not only the literal expression of the policy, but also its intent. By signing this affirmation of compliance, I hereby affirm that I understand and agree to comply with the Conflict of Interest Policy. I further understand that the Foundation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Except as otherwise indicated in the Disclosure Statement and attachments, if any, below, I hereby state that I do not, to the best of my knowledge, have any conflict of interest that may be seen as competing with the interests of the Foundation, and defined by the Foundation's conflict of interest policy nor does any relative or business associate have such an actual or potential conflict of interest.

If any situation should arise in the future which I think may involve me in a conflict of interest, I will promptly and fully disclose the circumstances to the Chair of the Board of Directors of the Foundation or to The Donor Engagement and Grants Officer or other administrative employee of the Prince George's County Memorial Library System, as applicable.

I further certify that the information set forth in the Disclosure Statement and attachments, if any, is true and correct to the best of my knowledge, information and belief.

Name (please print)

Signature

Date

Conflict of Interest Disclosure Statement

Name (Please print) _____

Disclosure Statement

Please complete the questionnaire, below, indicating any actual or potential conflicts of interest. If you answer "yes" to any of the questions, please provide a written description of the details of the specific action or transaction in the space allowed. Attach additional sheets as needed.

Financial Interests - A conflict may exist where an interested party, or a relative or business associate of an interested party, directly or indirectly benefits or profits as a result of a decision made or transaction entered into by the Foundation. **Please indicate, during the past 12 months:**

Has the Foundation contracted to purchase or lease goods, services, or property from you, or from any of your relatives or business associates? Yes
No

If yes, please describe:

Has the Foundation purchased an ownership interest in or invested in a business entity owned by you, or owned by any of your relatives or business associates? Yes
No

If yes, please describe:

Has the Foundation offered employment to you, or to any of your relatives or business associates, other than a person who was already employed by the Foundation? Yes
No

If yes, please describe:

Have you, or have any of your relatives or business associates, been provided with a gift, gratuity or favor, of a substantial nature, from a person or entity which does business, or seeks to do business, with the Foundation? Yes
No

If yes, please describe:

Have you, or any of your relatives or business associates, been gratuitously provided use of the facilities, property, or services of the Foundation? Yes
No

If yes, please describe:

Other Interests - A conflict may also exist where an interested party, or a relative or business associate of an interested party, obtains a non-financial benefit or advantage that they would not have obtained absent their relationship with the Foundation, or where their duty or responsibility owed to the Foundation conflicts with a duty or responsibility owed to some other organization.

Please indicate if at any time during the past twelve months:

Did you obtain preferential treatment by the Foundation for yourself, or for any of your relatives or business associates? Yes
No

If yes, please describe:

Did you make use of confidential information obtained from the Foundation for your own benefit, or for the benefit of a relative, business associate, or other organization? Yes
No

If yes, please describe:

Did you take advantage of an opportunity, or enable a relative, business associate or other organization to take advantage of an opportunity, which you had reason to believe would be of interest to the Foundation? Yes
No

If yes, please describe:

Do you have any involvement with any request for proposal or any other vendor or consultant selection process at this Foundation? Yes
No

Note that being in this role does not, in itself, create a conflict.

If yes, do you accept or reject gifts from current or prospective vendors? Yes
No

If yes, please describe:

Are you involved with any organizations who serve as partners with this nonprofit Foundation?

Yes
No

If yes, please provide explanation.

Are you involved with any organizations or seek to become partners with this nonprofit Foundation?

Yes
No

If yes, please provide explanation.

Do you or any companies with which you are employed or own offer services in the same field as this nonprofit Foundation?

Yes
No

If yes, please provide explanation.

Have you ever used your position with the nonprofit organization to benefit your organization, your company, your family or yourself?

Yes
No

If yes, please provide explanation.