

CROTON FREE LIBRARY

Whistleblower Policy

(Approved by the Board of Trustees of the Croton Free Library on March 9, 2015)
(Updated and Approved June 14, 2021)

Croton Free Library (the “Library”) requires trustees, officers, employees and volunteers of the Library to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Library, all must practice honesty and integrity in fulfilling responsibilities and comply with all applicable laws and regulations.

Reporting Responsibility

This Whistleblower Policy is intended to encourage and enable trustees, officers, employees, volunteers and others to raise serious concerns internally so that the Library can address and correct inappropriate conduct and actions. It is the responsibility of all trustees, officers, employees and volunteers to report concerns about violations of the Library Trustee Ethics Statement or suspected violations of law or regulations that govern the Library’s operations.

No Retaliation

It is contrary to the values of the Library for anyone to retaliate (including harassment, intimidation or adverse employment actions) against any trustee, officer, employee or volunteer who in good faith reports an ethics violation, or a suspected violation of law, such as a complaint of discrimination, or suspected fraud, or suspected violation of any regulation governing the operations of the Library. Any person who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment and service as a trustee, officer or volunteer.

Reporting Procedure

The Library has an open-door policy and recommends that trustees, officers, employees and volunteers share their questions, concerns, suggestions or complaints with their supervisor or manager or directly with the Library Director, who has been designated as the Library’s Compliance Officer. If one is not comfortable speaking with the Library Director or is not satisfied with the Library Director’s response or if the concerns are about or with the Library Director, one is encouraged to speak with any member of the Board of Trustees. Supervisors and managers are required to report complaints or concerns about suspected ethical and legal violations in writing to the Library Director who has the responsibility to investigate all reported complaints. If the concerns are about or with the Library Director, then supervisors or managers should submit concerns in writing directly to any member of the Board of Trustees.

Compliance Officer

The Library Director, as the Library’s Compliance Officer, is responsible for ensuring that all complaints about unethical or illegal conduct are investigated and resolved. The Compliance Officer will advise the Board of Trustees of all complaints and their resolution and will report at least annually to the Board of Trustees on compliance activities.

Accounting and Auditing Matters

The Library Director, as the Library's Compliance Officer, shall immediately notify the Finance Committee of the Board of Trustees of any concerns or complaints regarding accounting practices, internal controls or auditing, and shall work with such Committee until the matter is resolved.

Acting in Good Faith

Anyone who causes the filing of a written complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegation that proves not to be substantiated and which proves to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Confidentiality

Reports of violations or suspected violations may be submitted on a confidential basis by the complainant. Such reports will be kept confidential to the extent possible, consistent with applicable law or the need to conduct an adequate investigation.

Handling of Reported Violations

The Library's Compliance Officer (or the Board of Trustees or the Finance Committee, where applicable) will notify the person who submitted a complaint and acknowledge receipt of the reported violation or suspected violation. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

Distribution of Whistleblower Policy

The Library will distribute this Whistleblower Policy to all trustees, officers, employees and volunteers who provide substantial services to the Library and will make it available electronically as well as redistribute it for signature to active and new trustees and officers annually at the May Board meeting.

CROTON FREE LIBRARY

Form of Annual Affirmation of Whistleblower Policy

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Whistleblower Policy (the “Policy”) of the Croton Free Library (the “Library”). The undersigned below is a trustee, officer, employee or volunteer of the Library, and hereby affirms:

- a) To have received a copy of the Policy;
- b) To have read and understood the Policy; and
- c) To have agreed to comply with the Policy.

IN WITNESS WHEREOF, the undersigned has caused this Affirmation to be duly executed and delivered.

Signature: _____

Printed Name: _____ Date: _____

CROTON FREE LIBRARY

Conflict of Interest Policy

(Approved by the Board of Trustees of the Croton Free Library on March 9, 2015)
(Updated and Approved June 14, 2021)

ARTICLE I: DEFINITIONS

As used in this Conflict of Interest Policy ("Policy"), the term:

"Affiliate" means, with respect to the Library, any entity or person controlled by, in control of, or under common control with the Library.

"Board" means the Board of Trustees of the Library.

"Committee of the Board" means any committee created by the Board that has been delegated powers of the Board, including, but not limited to, the Finance Committee.

"Compensation" means both direct and indirect remuneration.

"Finance Committee" means a designated Committee of the Board comprised of the Treasurer and Independent Trustees required to oversee the audit and compliance of the Library so long as a Finance Committee is designated by the Board.

"Financial Interest" means:

- a) An ownership or investment interest in any entity with which the Library has a transaction or arrangement;
- b) A compensation arrangement with any entity or individual with which the Library has a transaction or arrangement;
- c) An expected future ownership or investment interest in, or Compensation arrangement with, any entity or individual with which the Library is negotiating a transaction or arrangement; or
- d) An economic benefit from any transaction or arrangement in which the Library is a party.

"Independent Trustee" means a Trustee who: (i) is not, and has not been within the last three years, an employee of the Library or an Affiliate of the Library, and does not have a Relative who is, or has been within the last three years, a Key Employee or Affiliate of the Library; (ii) has not received, and does not have a Relative who has received, in any of the last three fiscal years, more than \$10,000 in direct compensation from the Library or an Affiliate of the Library (other than reimbursement for expenses reasonably incurred); and (iii) is not a current employee of or does not have a substantial financial interest in, and does not have a Relative who is a current officer of or has a substantial financial interest in, any entity that has made payments to, or received payments from, the Library or an Affiliate of the Library for property or services in an amount which, in any of the last three fiscal years, exceeds the lesser of \$25,000 or 2% of such entity's consolidated gross revenues. For purposes of this paragraph, "payment" does not include charitable contributions.

“Interested Person” means any Managing Person who has, or whose Relatives have, a direct or indirect Financial Interest.

“Key Employee” means any person who is in a position to exercise substantial influence over the affairs of the Library.

“Library” means the Croton Free Library.

“Managing Person” means any Trustee, officer or Key Employee of the Library or an Affiliate of the Library, or a member of a Committee of the Board.

“Related Party” means:

- a) Any Managing Person; or
- b) Any Relative of any Managing Person; or
- c) Any entity in which any individual described in clause (a) or (b) above has a 35% or greater ownership or beneficial interest or, in the case of a partnership or professional association, a direct or indirect ownership interest in excess of 5%.

“Relative” of an individual means:

- a) A spouse, ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren, and great-grandchildren, or
- b) A domestic partner as defined pursuant to the laws of the State of New York.

ARTICLE II: PROCEDURES

2.1 Duty to Disclose Upon Election or Appointment to the Board

Immediately upon election or appointment to the Board and annually thereafter, all Trustees shall disclose in the Form of Annual Affirmation and Written Disclosure of Conflict of Interest Policy attached hereto any entity of which such Trustee is an officer, trustee, member, owner (either as sole proprietor or a partner) or employee and with which the Library has a relationship. The Trustees shall also disclose any transaction in which the Library is a participant and in which the Trustee may have a Financial Interest or any other conflict of interest, including, but not limited to, transactions for professional or other services to the Library. Each Trustee shall provide a copy of such written statements to the chair of the Finance Committee or, if there is no Finance Committee, to the President of the Board.

2.2 Subsequent Duty to Disclose

When any matter comes before the Board or any Committee of the Board in which a Related Party has a Financial Interest, or when any Interested Person becomes aware of such Financial Interest, the Interested Person shall promptly and fully disclose in good faith such Financial Interest to the Finance Committee or, if there is no Finance Committee, to the Board prior to its acting on the matter. Such disclosure shall include any relevant and material facts known to such Interested Person about the matter that reasonably might be construed to be adverse to the Library.

2.3 Determining Whether a Conflict of Interest Exists

- a) A Financial Interest is not necessarily a conflict of interest. A conflict of interest exists when a person has a Financial Interest in a matter that reduces the likelihood that an Interested Person's influence can be exercised impartially in the best interests of the Library. The determination of whether a conflict of interest exists shall be made by the Independent Trustees of the Board or any Committee of the Board authorized to make such determination. After disclosure of the Financial Interest and all material facts, and after any discussion with, and, if requested, any presentation by, the Interested Person or Related Party, the Independent Trustees of the Board or any Committee of the Board shall discuss and vote upon whether or not a conflict of interest exists.
- b) The Board or any Committee of the Board shall require any Related Party who has a Financial Interest in a matter to not be present while the matter is discussed or while the vote to determine whether or not a conflict of interest exists is taken or otherwise participate in the deliberation; provided, however, that any Interested Person may participate in any discussion regarding the Interested Person's participation in the deliberation or vote.
- c) No Interested Person or Related Party shall vote on or attempt to influence the deliberation or voting on any matter in which he or she has a Financial Interest or is an Interested Person.

2.4 Procedures for Addressing the Conflict of Interest

- a) If a conflict of interest is determined (in accordance with Section 2.3) to exist, or if no conflict of interest is determined to exist, but a Related Party has a substantial Financial Interest in the proposed transaction or arrangement, then the President of the Board or the chair of any Committee of the Board considering the matter must appoint a disinterested person or committee which shall investigate alternatives to the proposed transaction or arrangement.
- b) After exercising due diligence, the Independent Trustees of the Board or any Committee of the Board considering the matter that has given rise to a conflict of interest shall determine whether the Library can obtain, with reasonable efforts, a more advantageous transaction or arrangement from another person or entity that would not give rise to a conflict of interest.
- c) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Independent Trustees of the Board or any Committee of the Board considering the matter shall determine by a majority vote whether the transaction or arrangement is in the Library's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

2.5 Violations of the Conflict of Interest Policy

- a) If the Independent Trustees of the Board or any Committee of the Board have reasonable cause to believe a Managing Person has failed to disclose actual or possible conflicts of interest, it shall investigate the potential conflict of interest violation and shall inform such Managing Person of the basis for such belief and afford him or her an opportunity to explain the alleged failure to disclose.
- b) If the Independent Trustees of the Board or any Committee of the Board investigating a potential violation of this Policy determine that an Interested Person has failed to disclose an actual or possible conflict of interest, the Board or Committee of the Board shall take appropriate disciplinary and corrective action.

ARTICLE III: RECORDS OF PROCEEDINGS

The minutes of a meeting of the Board and any Committee of the Board, which shall be recorded contemporaneously with the Board's proceedings required by this Policy, shall contain:

- a) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with any matter that comes before the Board or any Committee of the Board, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present and the decision as to whether a conflict of interest in fact existed by the Independent Trustees of the Board or any Committee of the Board.
- b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE IV: COMPENSATION

A Managing Person who receives compensation, directly or indirectly, from the Library for services is precluded from being present at or otherwise participating in any deliberation or vote on matters pertaining to his or her own Compensation.

Nothing contained herein shall prohibit any Managing Person who receives Compensation, directly or indirectly, from the Library from providing information to the Board or any Committee of the Board regarding Compensation.

ARTICLE V: ANNUAL STATEMENTS

Each Managing Person shall sign the Form of Annual Affirmation and Written Disclosure of Conflict of Interest Policy attached hereto on an annual basis affirming that such Managing Person:

- a) Has received a copy of this Policy;
- b) Has read and understands this Policy;
- c) Has agreed to comply with this Policy; and
- d) Understands that the Library is a tax-exempt 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.

[Remainder of page intentionally left blank]

Form of Annual Affirmation and Written Disclosure of Conflict of Interest Policy

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Conflict of Interest Policy (the "Policy") of the Croton Free Library (the "Library"). The undersigned below is a Managing Person of the Library, and hereby affirms:

- a) To have received a copy of the Policy;
- b) To have read and understood the Policy;
- c) To have agreed to comply with the Policy; and
- d) That the Library is a tax-exempt organization and in order to maintain its U.S. federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

As defined in the Conflict of Interest Policy, all Managing Persons of the Library shall annually disclose the information below to the chair of the Finance Committee of the Board of Trustees or, if there is no Finance Committee, to the President of the Board. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Conflict of Interest Policy of the Croton Free Library.

The Managing Person shall list here any entity of which the Managing Person is an officer, trustee, member, owner (either as sole proprietor or a partner) or employee and with which the Library has a relationship:

The Managing Person shall list here any transaction in which the Library is a participant and in which the Managing Person may have a Financial Interest or any other conflict of interest, including, but not limited to, transactions for professional or other services to the Library:

The information disclosed above is true and accurate to the best of the knowledge of the undersigned.

IN WITNESS WHEREOF, the undersigned has caused this Affirmation and Disclosure to be duly executed and delivered.

Signature: _____

Printed Name: _____ Date: _____